PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 429 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FOURTH SESSION OF THE FIFTY-THIRD PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-THIRD YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2004–05

COMPRISING PERIOD
10 January—20 January 2005

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(02/06)

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10 January 2005

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FOURTH SESSION OF THE FIFTY-THIRD PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 13 JUNE 2001]

FIFTY-THIRD YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 429**

SECOND VOLUME OF SESSION 2004–2005

House of Commons

Monday 10 January 2005

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Royal Navy

1. **Mr. Peter Luff** (Mid-Worcestershire) (Con): If he will make a statement on the future size of the Royal Navy. [207374]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): We are adapting and modernising the Royal Navy into a versatile maritime force that is structured to meet the challenges of the changing strategic environment of the 21st century. Our investment will see the Navy's capability enhanced through the procurement of new aircraft carriers, Type 45 destroyers, Astute class submarines and amphibious support vessels. That represents the largest shipbuilding programme in decades. Our latest plans for future Royal Navy force levels were detailed in Cmd 6269 on future capabilities, which was published by my right hon. Friend the Secretary of State for Defence last July.

Mr. Luff: I was glad to hear the Minister refer to the new aircraft carriers. When exactly do the Government mean to finalise the plans to build those, and what is the exact timetable for their procurement? Are the Government sure that they have the cash to construct those aircraft carriers? Can the Minister confirm or deny the plausible report in *The Times* last week that they can be built only at the cost of a reduction in the Typhoon fighter programme?

Mr. Ingram: The programme, as has been explained time and again from the Dispatch Box, is currently going through its assessment phase. Proceeding in that way will ensure that we get that part of the early procurement stream right, which is part of the new smart acquisition philosophy. I should have thought that the hon. Gentleman would support that, although he would not have done so when his party was the Government given that much of the legacy of problems that we have is based on poor procurement decisions taken then. We are trying to ensure that all the steps in the procurement process are correct and accurate, and we seek to get things into service on the dates that we set—2012 and 2015.

Mr. Kevan Jones (North Durham) (Lab): My right hon. Friend will be aware of the strong links between the north-east of England and the Royal Navy, not just in building of some of the finest ships but in supplying men and women to serve. Does he agree that the expertise of those men and women has once again been demonstrated in the past few weeks by the response of the Royal Navy in Sri Lanka and south-east Asia?

Mr. Ingram: That is an appropriate and timely question, and I pay tribute to those who are building our warships and those who are serving on them throughout the world and carrying out an important role in a troubled part of the globe. The frigate HMS Chatham, which carries two helicopters, and the support ship RFA Diligence have linked up off Sri Lanka and are co-ordinating with an observation, liaison and reconnaissance team that has been deployed to Colombo. They will shortly be joined by RFA Bayleaf,

which will have the capacity to carry fresh water and aviation fuel, as well as sustaining Diligence and Chatham. HMS Chatham began work today to bring assistance to the east of Sri Lanka. They are carrying out important humanitarian work, and a range of other initiatives are taking place, some of which involve other members of our armed forces. I pay tribute to each and every person serving alongside civilian organisations in the area to bring humanitarian aid.

Mr. Peter Viggers (Gosport) (Con): The number of standing tasks undertaken by the Royal Navy has been reduced from seven to six and is to be further reduced to four because of the shortage of ships. Bearing in mind the retirement of two Type 42 frigates and a Type 23, and given the slippage in the in-service date of the Type 45 to 2009, how can we be sure that we have enough ships even to fulfil four standing tasks? Is this the right time to reduce the Navy's presence, when the maritime stability that the Royal Navy is able to provide worldwide is so very valuable?

Mr. Ingram: The hon. Gentleman should have listened to the earlier answer. We are engaged in the largest warship-building programme for many years. That is being done to ensure that we have the capability to meet the threats of the future. That, of itself, means that we have to consider whether the legacy of ships that we have should be retained or decommissioned, and decisions on the contingent tasks expected of them have been taken on the basis of military assessments of what the threat level will be. In the view of the military advisers in the Royal Navy, what we seek to do is deliverable and achievable and will enable the Royal Navy still to rank among the very highest in the world.

John Robertson (Glasgow, Anniesland) (Lab): May I congratulate my right hon. Friends the Minister of State and the Secretary of State on all their work in securing ships for the Clyde, and say on behalf of workers on the Clyde how grateful they are for the jobs? Both my right hon. Friends know, however, that the most important time is when the steel gets cut, as we then know that the ships will be built. Can the Minister of State tell us when the first steel will be cut for the carriers?

Mr. Ingram: I cannot. If I could, we would have announced it. Obviously, that is a very important announcement. I know that my hon. Friend takes a close interest in this matter, and is assiduous in representing not only his constituents' interests but the interests of shipbuilding overall in the UK. He recognises the importance of these programmes, as he did in his question. When we move through the assessment phase, the next part of the process will get under way, and we will see that steel being cut. I am sure that there will be cheers throughout the UK on that.

Mr. Gerald Howarth (Aldershot) (Con): Is it not now clear that the Government's ill-judged plans to cut the number of frigates and destroyers from 32 to 25, described by the First Sea Lord in post as "a painful cut", will inhibit severely the UK's ability to respond to unforeseen circumstances such as we have witnessed in the Indian ocean? Does the Minister of State agree that the size of the Royal Navy needs to take into account the ability of Britain's armed forces to respond to such disasters? On the deployment of HMS Chatham, which he mentioned, when did the Secretary of State authorise that deployment? Is there any truth in the report in *The Sun* today that the Government plan to send a fleet of 12 ships next week, apparently including both aircraft carriers, on a mercy mission? If that is true, where are those ships to come from as they are not there at the moment?

Mr. Ingram: I do not think that I should respond to speculation in any newspaper, even one as illustrious as *The Sun*. I cannot give the precise date at which the decision was taken on HMS Chatham, but it was taken immediately we were aware that we had capabilities in the region to meet needs there, and that it would serve a good purpose. I can obtain the precise date for the hon. Gentleman and write to him accordingly.

I take note of what the hon. Gentleman says about the First Sea Lord's comments. We recognise, and we have always said, that the current process of transition across all three parts of the armed forces is painful. To get to the new, however, we must also deal with legacy issues. If I read him correctly, he is saying that he would keep every capability that we have currently, plus engaging on the same shipbuilding programme on which we are engaged, and possibly even more so. How will he afford that? What is his budget? Is it not better to be a bit more realistic, recognise that this is the biggest warship-building programme for decades, and pay tribute to the MOD and Ministers for achieving that?

Iraq

2. **Hugh Bayley** (City of York) (Lab): What contribution UK armed forces have made to the post-war reconstruction of Iraq. [207375]

The Secretary of State for Defence (Mr. Geoffrey Hoon): The armed forces' principal role in Iraq is helping to provide the security conditions for reconstruction and political development. We are focused on developing the capability and capacity of the Iraqi security forces, and 115,000 Iraqi security personnel are now trained, equipped, and operating across Iraq. On the recommendation of the General Officer Commanding, we will soon be deploying the extremely high readiness reserve battalion for Operation Telic, which is 1st Battalion the Royal Highland Fusiliers, from Cyprus to the Multi-National Division (South-East) for a limited period in support of election security. Four hundred extra troops will be deployed to Iraq.

UK armed forces have also contributed—

David Maclean (Penrith and The Border) (Con): On a point of order, Mr. Speaker. This is an outrageous abuse. This should be a statement.

Mr. Speaker: Order. Not during Question Time. *[Interruption.]* From time to time, the Speaker needs advice. I must get advice, and there is no point in anyone shouting. *[Interruption.]* The Secretary of State can continue.

Mr. Hoon: UK armed forces have also contributed directly to reconstruction, working with the Department for International Development, the US Project and Contracting Office and the Iraqis. We have supported some 1,120 quick impact projects, including repair of essential transport services, the refurbishment of hospitals and schools, and the emergency infrastructure programme.

Hugh Bayley: Unlike Conservative Members, I am pleased that British forces have played a role in training Iraqi security forces. May I ask my right hon. Friend how well those Iraqi forces trained by Britain have been performing the difficult tasks of dealing with the extremist terrorists who want to stop the election taking place?

Mr. Hoon: My hon. Friend is absolutely right to give significant praise to those Iraqis who are risking their lives day in, day out for the future of their country. They are working hard to ensure that the date of 30 January is kept to and that democratic elections can take place. It is obviously our responsibility, as part of the coalition in Iraq, to support that effort and that is what we are intending to do. My hon. Friend is certainly right: across the country Iraqis are working hard in the future interest of their country. We want to give them as much training as they require in order to assume full responsibility for their own security.

Mr. Keith Simpson (Mid-Norfolk) (Con): The Secretary of State decided to slip out this substantial announcement during Defence questions and I fully appreciate, Mr. Speaker, that it placed you in a difficult position. This is an important statement in the lead-up to the elections, when the security situation in Iraq is very serious indeed. It is not sufficient for the Secretary of State to do this; it should be a statement. Many colleagues on both sides of the House would like the opportunity to press him on this. Will the Secretary of State give a guarantee that he will come back to the House and turn this into a proper statement so that all colleagues today might—*[Interruption.]*

Mr. Speaker: Order. I do not want the hon. Member for Birmingham, Hall Green (Mr. McCabe) to tell me how to do my job—he just would not know where to start. The hon. Member for Mid-Norfolk (Mr. Simpson) did not take as long as the Secretary of State on his question. The Secretary of State's reply was long and I have given some leeway to the Front Bench. That is the way I do things, so the hon. Member for Birmingham, Hall Green will not tell me what to do.

Mr. Hoon: As Opposition Front-Bench Members well know, the force to be deployed to Iraq for a limited period to deal with election security is held at very, very high readiness specifically for that purpose—something that is well known to Members on the Opposition Front Bench, so their supposed outrage is entirely synthetic. To suggest that coming to the Dispatch Box and making a statement is somehow slipping out an announcement, is, as they well know, nonsense.

Mr. Simpson: I think that the Secretary of State has missed the point. This is a serious issue. It is obviously a further deployment. Does he not accept the fact that Members on both sides of the House see it as a good supporting issue in terms of the cuts of the four infantry battalions that he only announced before Christmas? In fact, it seems to me and to Opposition Members that it means that we require more infantry, not the cuts that he has carried out.

Mr. Hoon: Again, the hon. Gentleman knows full well that those forces were held in Cyprus before Christmas at the time when I was making the announcement to which he has referred, so this has no relevance whatever to the question of adjustments in the infantry—no relevance at all. He knows that. All that he is doing, once again, is making the cheapest political points—party political points—out of something that is very important and very serious.

Dr. Gavin Strang (Edinburgh, East and Musselburgh) (Lab): While the tasks of troops are clearly a matter for military leaders in Iraq, will my right hon. Friend indicate whether any movement of the additional forces—to the north, to Baghdad, to the so-called Sunni triangle—would require a decision of the Prime Minister on his recommendation?

Mr. Hoon: All these matters are obviously discussed in detail with the Prime Minister. A major deployment to Baghdad would certainly involve a decision by the Prime Minister on my recommendation, but I assure my right hon. Friend and the House that no such decision has been taken, or is indeed in prospect.

Mr. Paul Keetch (Hereford) (LD): The statement slipped out by the Secretary of State is indeed outrageous, because it comes at a time when newspaper reports in the United States talk about their forces becoming hit squads, when a senior US general is visiting Iraq to determine the process and the role of forces there and when our Prime Minister has said that he is in discussions with President Bush about the future role of British forces in Iraq. The announcement today should have been properly determined and discussed by the House of Commons through a statement, not simply slipped out.

Finally, does the Secretary of State realise that if he is deploying troops inside the British sector to support our purposes—our own force protection—Liberal Democrat Members and people throughout the country would accept it, but to deploy forces, potentially, outside the British sector will not receive the wholehearted support of many people in this country?

Mr. Hoon: I am sorry if the hon. Gentleman missed the answer that I gave to the previous question—perhaps he prepared his question well in advance of today's Defence questions. But this is Defence questions and I simply do not understand why in the course of Defence questions—*[Interruption.]* If the hon. Gentleman looks at the Order Paper, he will see that four of the first six questions are about Iraq, giving right hon. and hon. Members every opportunity of raising whatever questions on the subject they think fit.

Chris Bryant (Rhondda) (Lab): Last week, Hadi Saleh, the international secretary of the Iraqi Federation of Trade Unions, was murdered in Iraq. What role will British troops play in ensuring the ongoing security of people who are trying to build up civil society in Iraq over the months to come?

Mr. Hoon: My hon. Friend is right to draw attention to that appalling murder, alongside a number of others that have regrettably occurred. As my hon. Friend said, it demonstrates that those who perpetrate those appalling acts are trying to undermine the fabric of Iraqi society and our efforts to support the election process due to take place on 30 January, by trying to murder and intimidate those who are trying to build other aspects of a civil society. We should all join in our praise for those people who are working so hard, risking their lives in that effort, because it is something that every Member should support.

Sir Patrick Cormack (South Staffordshire) (Con): In view of the desirability of achieving as much consensus as possible in the House on these issues, why did the Secretary of State at least not follow the convention whereby if he has a lot of information to impart on a certain question, it is taken at the end of Question Time, with notice, and treated by Mr. Speaker as a mini statement? Why did he not at least do that?

Mr. Hoon: Because I thought it appropriate, as far as the House was concerned, to take the very first opportunity to set out to the House, within minutes of the start of Defence questions, this particular deployment.

Mr. Crispin Blunt (Reigate) (Con): On a point of order, Mr. Speaker—

Mr. Speaker: Order. The hon. Gentleman has been here long enough to know that we do not have points of order during questions.

3. **Mr. John Grogan** (Selby) (Lab): How many members of the armed forces have been injured in Iraq since March 2003. [207376]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): I take this opportunity to pay tribute to those civilians and the one member of the armed forces who have died in Iraq since the House last met. I know that the whole House would wish to pay tribute to them for their bravery and commitment in helping the people of Iraq.

Since February 2003, the United Kingdom has conducted 2,762 medical evacuations from Iraq. That includes a small number of entitled civilians and Iraqis. Of those, 790 have involved the evacuation of UK service personnel because of injuries sustained as a result of hostile actions, accidents and other incidents.

Mr. Grogan: Does my hon. Friend agree that, whatever hon. Members' views on the war itself, the whole House will be united in wanting to be reassured that service personnel who have been injured in Iraq are receiving the very best possible medical treatment and will be disturbed by some reports, such as those in BBC 1's "Real Story", that that has not always been the case, particularly for some of those who are suffering from post-traumatic stress disorder?

Mr. Caplin: My hon. Friend will understand that I cannot comment on any specific case, but we have a significant number of people from the Defence Medical Services in theatre now—about 400—including surgeons, dental officers, physiotherapists and mental health staff, all of whom are dedicated to providing a high standard of clinical care, and I, and the Secretary of State and others, have visited them in Iraq.

Patrick Mercer (Newark) (Con): Just a few weeks ago, Fusilier Gentle of the 1st Battalion the Royal Highland Fusiliers was killed in action in Iraq. Now that we know that the self-same battalion is about to go back to Iraq yet again, can the Minister confirm whether the soldiers of that fine battalion will have the correct equipment, the correct flak jackets, the correct helmets, the correct training and the correct warning to prevent further injuries?

Mr. Caplin: I can give the hon. Gentleman that assurance.

4. **Mike Gapes** (Ilford, South) (Lab/Co-op): If he will make a statement on the future of British forces in Iraq. [207377]

The Secretary of State for Defence (Mr. Geoffrey Hoon): We continue to consider, with the Iraqi Government and our partners in the multinational force, the number and disposition of forces required in Iraq in the months ahead, to support the sovereign Interim Government of Iraq through the process leading to elections and subsequent support to the Transitional Assembly and Government.

Mike Gapes: The Secretary of State knows that the Defence Committee visited Basra in the south of Iraq in December. May I ask him to confirm, based on my impressions, that there will be no precipitate withdrawal of British forces from Iraq and that we will see through the support that we are giving to the Iraqi national guard and to police training to enable the Iraqi people, after they have had their constitutional assembly elections, to hold a second election at the end of this year that will establish democracy in a large Arab country for the first time ever? We started this; we have to see it through.

Mr. Hoon: I thank my hon. Friend for his question. I take this opportunity to pay tribute to the members of the Select Committee for the visits that they have made to Iraq; they are very much appreciated by the armed forces. I was able to see members of the Select Committee in Basra during the visit in December to which my hon. Friend referred. I have looked at the observations made arising from their visit and I am grateful to them for their thoughtful comments.

My hon. Friend is right that we have a continuing obligation to Iraq and its people to try to ensure security there and to allow democratic elections to take place—and, indeed, to the evolution of the constitutional arrangements for Iraq. We will be there so long as we are needed—so long as there is a requirement for external

forces to assist in the preservation of security. As I said to the House earlier, our real ambition is to ensure that training and expertise is available to the Iraqi security forces so that they can assume responsibility for their own security.

Mr. Julian Brazier (Canterbury) (Con): What message does the Secretary of State have for individual British service personnel in the Gulf who are faced with cuts in their numbers and frequently have inadequate equipment, who are faced with the raising of the burden of proof for the purposes of war pensions when they are injured, and perhaps worst of all are faced with the prospect of one of their number being prosecuted by non-combatant lawyers for actions that took place during a battle against the wishes of the military chain of command?

Mr. Hoon: I am sure that the hon. Gentleman and other hon. Members would not want me to comment on legal cases going through the courts.

I take the hon. Gentleman back to his first observation and remind all those currently representing the Conservative interest in the House that when a Labour Government were elected in 1997 there were some 101,360 members of the Army. The number now is considerably higher than that, and will still be higher after the adjustments to which I referred. His argument is purely party political. He did not make the same complaints about his own Government. Therefore, such complaints from the Conservative party are entirely determined by their party political self-interest.

Mr. David Crausby (Bolton, North-East) (Lab): Can my right hon. Friend tell us something about our alternative exit strategy in the event that the elections later this month are not as successful as we all very much hope?

Mr. Hoon: May I make it clear to my hon. Friend that the elections themselves are not an exit strategy? They are part of a process of rebuilding Iraq's constitutional arrangements, and an important part, certainly. The key to the contribution of Britain's armed forces is the provision of security to allow those elections and further elections to take place. Every person reporting back from Iraq confirms just how enthusiastic Iraqi people in every part of the country are at the prospect of being able to participate in democratic elections to determine their future.

Mr. Robert Key (Salisbury) (Con): Will the Secretary of State undertake to ensure that any future announcements of further deployments to Iraq are announced properly and to officers, soldiers and their families in an appropriate manner, unlike before Christmas when the Royal Gloucestershire, Berkshire and Wiltshire Regiment learned of its abolition on television?

Mr. Hoon: May I make it clear that the hon. Gentleman's final observation is simply not right? There was an extensive process of consultation through every part of the Army. It lasted some six months. Therefore, there was a determined effort by the Army to ensure that all its constituent elements were consulted on any of the changes that I announced immediately before Christmas.

Ann Clwyd (Cynon Valley) (Lab): Can my right hon. Friend confirm that there are now more than 325 foreign fighters in detention in Iraq, many of them having come from Syria? What representations are we as a Government making to the Syrian authorities to try to prevent those who do not want elections in Iraq to take place from continuing to cross the border and carry out terrorist attacks?

Mr. Hoon: My hon. Friend is right to raise that issue. If those foreign fighters are not from Syria, they have certainly come through Syria. It is a matter of great concern that such people are able to make their way to Iraq and perpetrate the kind of atrocities that we have seen in recent weeks and months, deliberately trying to undermine the efforts of the majority of the Iraqi population to rebuild a constitutional basis for their country. I take this opportunity to pay tribute to the work of my hon. Friend in Iraq. She has visited different parts of the country on many occasions and is widely admired there for her efforts.

Bob Russell (Colchester) (LD): How far ahead have further deployments been considered and will the Royal Anglian Regiment be sent to Iraq this year?

Mr. Hoon: I am not going to set out details of future deployments. Obviously there is always planning for them, but I repeat what I have set out persistently: we are seeking to ensure the training of Iraqi security forces so that they can assume responsibility for their own security.

5. **Mr. Andrew Mackay** (Bracknell) (Con): If he will make a statement on the security situation in Iraq.
[207378]

The Secretary of State for Defence (Mr. Geoffrey Hoon): Insurgents and extremists continue in their attempts to destabilise the progress that is being made towards a secure and democratic Iraq. Their efforts to destroy the morale of the Iraqi security forces and to intimidate the people of Iraq in the run-up to elections are not unexpected. With the support of the coalition, Iraqi security forces continue to conduct operations against this insurgency to create the right conditions for elections to take place at the end of this month. Our armed forces are actively involved in developing the capability and capacity of the Iraqi security forces, and 115,000 Iraqi security personnel are now trained, equipped and operating across the country.

Mr. Mackay: Does the Secretary of State not see that, by failing to understand that it is essential to inform the House by way of a statement when there is a further deployment of troops in Iraq, he has lost the confidence of the whole House and is not a fit and proper person to hold that high office?

Mr. Hoon: I do not understand the right hon. Gentleman's argument. The Government have made a

series of statements on Iraq on a regular basis. It has never been the case that adjustments in forces going to Iraq, or indeed any other theatre, has required an oral statement to be delivered when troops are already warned off for that particular purpose. I have acknowledged adjustments in the size of the force, including significant increases, by way of a written statement and announcement at Defence questions. There is nothing unusual for any Government in the practice that I have adopted today.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): Has my right hon. Friend seen press reports this morning that Secretary Rumsfeld is considering using the Salvador operation, which is basically an option that was used by the Reagan regime to fight a dirty war in El Salvador? Will he confirm that British troops will have no truck with such a strategy? Will he take this opportunity to condemn those who believe that such a strategy would be helpful, because it would contribute to pushing Iraq into civil war?

Mr. Hoon: I encourage my hon. Friend not to believe all that he reads in the newspapers, including the more excitable elements of some of those who comment on defence matters.

Dr. Julian Lewis (New Forest, East) (Con): Is it not a fact that British forces can make up with skill what they lack in numbers in this field because they have more experience of successful counter-insurgency, particularly in the long Malayan campaign, than any other force in the world? What steps is the Secretary of State taking to ensure that the skills and experience of British forces are conveyed to our larger American allies to maximise the prospects for success?

Mr. Hoon: I do not disagree with the hon. Gentleman's tribute to British forces. They have done a tremendous job in Iraq, as he rightly indicates, as they have in similar earlier operations. They take every opportunity to pass on their experience and expertise to other members of the coalition operating in Iraq, and that includes American forces.

However, I emphasise that there are aspects of the expertise gained by American forces in other parts of Iraq, such as around Baghdad, where the situation has been a good deal more dangerous than it has been in and around Basra, that are passed back. British forces have paid tribute to the experience of their American colleagues and have learned something from them as well.

Mr. Tam Dalyell (Linlithgow) (Lab): The Secretary of State told my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) not to be excitable, but are we sure that the report in *Newsweek* has no foundation, not least because Ambassador Negroponte, who is a considerable power in these matters, operated through death squads in the 1980s? Is the Secretary of State quite sure that he is right to dismiss my hon. Friend?

Mr. Hoon: I was not in any way dismissing my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham)—nor, I point out for the clarity of the record, did I describe him as excitable. I described the commentators as excitable, and I am afraid that that is too often the case with defence comment, as I hope my hon. Friend the Member for Linlithgow (Mr. Dalyell) will accept.

Mr. Edward Garnier (Harborough) (Con): The Secretary of State will need no persuading from me that when our troops return from Iraq they do so with their reputations as high as when they went, and often enhanced. Sadly, we cannot say that about their political masters. Will the troops who are to be deployed from Cyprus to Iraq over the next few days be deployed only in Basra or in the wider British sector? If they or any of our other troops are to move into other sectors, when will we know about that?

Mr. Hoon: The hon. and learned Gentleman is a careful lawyer, and careful lawyers generally do not repeat questions that have been asked twice already. For the avoidance of doubt, and if for any reason he failed to hear the answer that I gave on two previous occasions to the question that he has just repeated, I can say that there are no plans whatever for British forces to operate outside their current area of operations.

6. **Mr. David Stewart** (Inverness, East, Nairn and Lochaber) (Lab): What steps the Department is taking to rebuild Basra airport as a commercial airport.

[207379]

The Secretary of State for Defence (Mr. Geoffrey Hoon): To support the process of commercialisation of Basra airport, the UK Ministry of Defence is providing air traffic control, communications support and fire and rescue services to the Iraqi Ministry of Transport. In addition, we continue to support the training of key airport personnel and assist in the installation of new equipment. The reopening of Basra airport represents a boost to the reconstruction efforts in southern Iraq and will help to bring further economic regeneration. Basra airport received its first commercial flight, organised by Iraqi Airways, on 1 January 2005, and the first Hajj flight from Basra to Jeddah took place on 3 January 2005.

Mr. Stewart: My right hon. Friend will be well aware of the strategic importance of Basra airport in both commercial and military terms, but it clearly requires major upgrading, as I discovered the first time I visited it with the armed forces parliamentary scheme in 2003. What discussions has my right hon. Friend had with the interim Government about the airport's future role?

Mr. Hoon: I can assure my hon. Friend that as a regular visitor to the airport, I can say that there has been a significant improvement since my first visit—and, I expect, since he visited. The process of improving conditions is continuing, and the assistance being provided by British forces is part of that. On my last visit, shortly before Christmas, I had detailed discussions with the governor about the commercial benefits that he anticipated would flow to Basra and the south of Iraq from opening the airport, which is why we were so determined to get the first commercial flight in as soon as we could.

Richard Ottaway (Croydon, South) (Con): Does the Secretary of State accept that it is not just Basra that needs investment but the whole infrastructure in Iraq—oil, gas, water, electricity and dockyards—and that no investment will be made without the wholehearted support of the private sector? However, the private sector will not invest a penny unless it knows that the situation is secure and will stay secure after it has invested. Does that not indicate that our troops will be present, providing a secure situation, for five or 10 years, or more?

Mr. Hoon: The hon. Gentleman is right about private investment in Basra, but I would say this about Basra and the south: there is no doubt that Saddam Hussein made the situation there worse than it was in other parts of the country, as a punishment for the Shi'a and their efforts to resist his arbitrary rule.

As I said, the hon. Gentleman is right about the importance of securing private sector investment; he is also right to say that that depends on security. The only qualification I would add to his observations is that in my opinion, non-governmental organisations and the private sector too often make assumptions and assessments about the whole of Iraq, and look at the security situation in other parts of Iraq without necessarily considering that the situation in the south is very much better. It may well be that they could provide the necessary investment and personnel in those parts of the country where the security situation is relatively calm and benign.

Voting (Service Personnel)

7. **Mr. James Gray** (North Wiltshire) (Con): What steps he has taken to ensure that the maximum number of service personnel are eligible to vote. [207381]

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): We are working closely with the Electoral Commission to improve awareness in the service community of the options to register to vote. An internal information campaign will begin in the next few weeks to coincide with the publication of a new Defence Council instruction providing full information and practical help on how to register and explaining the various voting options.

Mr. Gray: Since the Minister introduced annual reregistration for service personnel in 2000, the number of service people registered to vote has collapsed—in my constituency from 4,500 to 400, in Gosport from 3,500 to 200, and across the whole of Scotland from 18,000 to 2,000. If his intention was to encourage service people to vote, his stratagem has been a demonstrable failure. Will he now acknowledge that fact, and the fact that implementing some little initiative such as the one he mentioned will not be enough? He must now act decisively if large parts of our armed services are not, in effect, to be disfranchised.

Mr. Caplin: I am not sure that I was personally responsible for the legislation that the hon. Gentleman mentioned, but I accept that the Government, of which I am a member, were. In the Westminster Hall Adjournment debate with the hon. Member for Chichester (Mr. Tyrie) that took place before Christmas, I acknowledged that there had been a decline in the numbers. However, that is not an indication of the number of service personnel who register to vote, because under the Representation of the People Act 2000 we are asking people to register in the same way as we all do—annually. That significant change is the reason why in many constituencies the numbers today are different from those seen in 2000.

Jim Sheridan (West Renfrewshire) (Lab): My hon. Friend will be aware that armed services personnel serving abroad will not be in receipt of all the information that the rest of us in this country take for granted. Will he ensure that they are made aware of the choices, and of the consequences for industry should the unthinkable happen and a Labour Government not be returned?

Mr. Caplin: I am sure that a Labour Government will be returned, whenever the general election takes place. One of the decisions facing those serving overseas is whether to vote by proxy or by post. As I said in the Westminster Hall Adjournment debate, I think it best for those serving overseas to seek an effective proxy vote in this country, to make sure that their votes are cast.

Mr. Andrew Robathan (Blaby) (Con): Among those who know of the situation, there is a widespread perception that the Government are deliberately dragging their feet because of the strong tendency among armed forces personnel not to vote Labour. Will the Minister therefore pledge to ensure that by May this year the number of members of the armed forces registered to vote will be the same as in May 1997?

Mr. Caplin: That's it, is it? Labour's two periods in office have witnessed the biggest consistent increase in defence spending, and the hon. Gentleman's assertion and assumption that armed forces personnel vote in a particular way is wholly ridiculous. As I said, we are engaged with the Electoral Commission and examining other ways of dealing with the issue, and I am confident that we will succeed.

Mr. Robathan: In my dealings with him, I have always found the Minister to be straightforward—and I know that he is not standing for Parliament again, but that answer is not good enough. When the Chancellor of the Exchequer says that he will never again believe a word the Prime Minister says, why should anybody in the country believe anything the Government say? Will the Minister now take action to ensure that all armed forces personnel are registered to vote by May? Otherwise, the country will draw its own conclusion—that the Government are happy to send armed forces personnel to dangerous spots such as Iraq, but not happy for those troops to cast their verdict on the Government's position and policies at the ballot box.

Mr. Caplin: The hon. Gentleman is getting very excited this afternoon, and I do not understand why. I am a democrat and I want to encourage as many people as possible to take part in elections. The new Defence Council instruction, which is to be published at the end of the month, will be specific and will help to encourage people to register to vote in time for an election, whenever it is called.

Afghanistan

8. **David Cairns** (Greenock and Inverclyde) (Lab): What recent discussions he has had with NATO allies concerning poppy eradication in Afghanistan. [207382]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): My right hon. Friend the Secretary of State for Defence routinely discusses with NATO allies the role of the NATO-led international security assistance force in Afghanistan, including its support for Afghan counter-narcotics initiatives.

David Cairns: I am grateful to my right hon. Friend for that answer. In the House, on 30 June, my right hon. Friend the Prime Minister, speaking of eradication, said:

"It would certainly help if this became part of the NATO tasks, but we shall have to continue to have that debate."—[*Official Report*, 30 June 2004; vol. 423, c. 300.]

On 24 November my right hon. Friend the Secretary of State for Defence confirmed that such discussions were already taking place.

I appreciate that eradication is not the entire answer to the problem, and that the Afghan authorities have to take responsibility for themselves. However, we have NATO troops in Afghanistan, and they are highly trained and highly professional. Does my right hon. Friend agree that following the clear lead given by the Prime Minister, we should be actively pursuing, as part of our policy, making eradication of this killer crop part of NATO's core activities in Afghanistan?

Mr. Ingram: Shortly after my right hon. Friend the Prime Minister announced NATO's initiation of ISAF's expansion across northern Afghanistan last June, a new NATO plan for ISAF came into effect. For the first time, ISAF had a counter-narcotics role. That is limited, because ISAF expansion relies on provincial reconstruction teams, which are not designed for aggressive operations such as eradicating poppy crops. The force supports the Afghan Government's counter-narcotics strategy. For example, it collects intelligence and disseminates the intelligence that it encounters on narcotics. The security provided allows Customs and Excise to sponsor interdiction projects by the Kabul city gates and enable them to operate effectively.

I fully agree with the importance that my hon. Friend accords to these matters. I give him the assurance that my right hon. Friend the Prime Minister and Defence Ministers take them extremely seriously, as do all Ministers. We shall continue to look for ways to deal with this evil crop.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): Since NATO and specifically Britain were given responsibility for eliminating poppy crops in Afghanistan, production has rocketed. Some people think that that has happened by as much as 80 per cent. The result is that a fix of heroin on the streets, I am told, is now as cheap as a cup of coffee. That is condemning many of our youngsters to a life of absolute misery. What are the Government doing to give this issue much greater priority?

Mr. Ingram: We are taking the matter extremely seriously, but the way to take it forward does not rest solely with the United Kingdom's armed forces. Multinational forces are present. We must encourage everyone to move forward progressively in meeting the objectives. There cannot be a solely military solution; I hope that the hon. Gentleman understands that. It is necessary to cut across the whole of Afghanistan society, and that requires the commitment, the determination and the support of the Afghan authorities. They are showing a greater willingness and preparedness to do that. That does not relate only to crop eradication. Account must be taken of livelihoods. There is a range of activities that will take time to bite and take effect. This is being experienced elsewhere in the world where there have been successful programmes that have been taken to a conclusion. They have not been based solely on a military solution, and in this instance too, that is the best way forward.

Iraq

9. **Bob Spink** (Castle Point) (Con): how many armed forces personnel are serving in Iraq. [207383]

The Secretary of State for Defence (Mr. Geoffrey Hoon): As at 6 January 2005, approximately 8,850 United Kingdom armed forces personnel were serving on Operation Telic. Of these, approximately 8,050 are based within Iraq. The remainder are either based elsewhere in the region, or are at sea in the Gulf. Around 300 Royal Navy personnel normally allocated to Operation Telic have been temporarily allocated to Operation Garron relief efforts in the far east. The forthcoming deployment of the extremely high readiness reserve battalion, which I have today announced to the House, will increase those figures by about 400.

Bob Spink: Will the Secretary of State lead the House in paying tribute to the professionalism and courage of those serving in the additional 400 from the 1st Battalion of the Royal Highland Fusiliers? Having felt the mood of the House today, will the right hon. Gentleman show the same professionalism and courage by changing his mind even at this late stage, and making a formal statement on this matter so that we can question him on the equipment that the troops will have, where they will be based, when they will be going, and so on?

Mr. Hoon: I certainly join the hon. Gentleman in paying tribute to all Britain's armed forces wherever they are serving, and particularly those serving in Iraq. I am sorry that he appears more interested in the constitutional process than he is in the substantive issue. Had he wanted to ask questions along the lines that he has outlined, he could have taken the opportunity to do so.

Mr. Harry Barnes (North-East Derbyshire) (Lab): What role can the armed forces play in Iraq in protecting Iraqi trade unionists, especially in the light of the brutal murder of Hadi Saleh and the theft of names and addresses of members of the Iraqi Federation of

Workers Trade Unions, the major trade union, from his home? There is a need for considerable protection of workers inside Iraq.

Mr. Hoon: My hon. Friend is right to highlight the courage of the people who are working to rebuild Iraqi society in every possible way. Certainly, coalition forces continue to work alongside the Iraqi security forces in seeking to protect those efforts.

Mr. Crispin Blunt (Reigate) (Con): I am sure that the Secretary of State would not want to leave the House with the impression that the Royal Highland Fusiliers in Cyprus were poised to go to Iraq—although that was the implication of his earlier statement. The high readiness reserve must be replaced with another battalion when it is deployed. Who will that reserve be, and can the Secretary of State explain the contradiction between his speech on the Loyal Address on 24 November 2004, when he said, as is recorded in column 108 of *Hansard*, that there were 220,000 trained Iraqi security personnel, and the figure of 115,000 personnel that he gave the House today? Would it not be better to make a proper statement? The Minister of State came to the House to make a statement on the deployment of seven liaison officers to the Congo, but the Secretary of State is proposing to deploy 50 times as many people without making a statement.

Mr. Hoon: The extremely high readiness reserve was specifically placed in Cyprus for the purpose that it is now about to undertake, as I have made plain to the House on previous occasions. I therefore want to correct the impression that the hon. Gentleman gave.

David Winnick (Walsall, North) (Lab): While recognising that murderers and torturers are carrying out crimes in Iraq against civilians as well as against our troops, would it not be wise to tell the United States that if there is any truth at all in the suggestion about assassination squads, that would not only add to the serious mistakes that America has made in Iraq, but would be counter-productive, assisting suicide bombers and so on? America is our friend and ally in this project, but we must speak frankly to it.

Mr. Hoon: I assure my hon. Friend that I speak frankly to our American allies, just as I do to our other allies. However, it is in the nature of that frankness that that is best done privately rather than publicly.

RAF St. Mawgan

10. **Matthew Taylor** (Truro and St. Austell) (LD): What discussions he has had with the Department for Transport on the future of civilian air services at RAF St. Mawgan. [207384]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): In addition to discussions between officials, I will meet the Under-Secretary of State for Transport, my hon. Friend the Member for Staffordshire, Moorlands (Charlotte Atkins) to discuss this issue.

Matthew Taylor: I hope that the Minister accepts that as Cornwall is an objective 1 area, and is recognised by the Government as one of the poorest in the country, the maintenance of links such as the civilian air service operating from RAF St. Mawgan is particularly important for the area, and for joined-up government. Short-term decisions on military deployment should not outweigh the long-term needs of the military at RAF St. Mawgan—nor, indeed, should they put at risk domestic civilian services. Can the Minister assure me that every effort will be made to ensure continuity so that domestic services can be maintained, irrespective of relatively short-term changes in military requirements?

Mr. Ingram: The situation is a bit more complex than that. If the hon. Gentleman does not understand why, perhaps he should be better briefed. The airfield is part of the review of 73 airfields, including 50 prime airfields, which are being examined in terms of future aircraft capability. If a decision were made to place that capability at St. Mawgan, it would be a significant boost and boon to the local area and economy. However, there may be a knock-on effect for the civilian use of the airfield. The issues are therefore complex, and we must work our way through them, recognising the importance of the aerodrome to the area. I shall meet the Under-Secretary of State for Transport, my hon. Friend the Member for Staffordshire, Moorlands, and am prepared to meet local Members of Parliament and give them access to officials so that they can be kept up to date on important developments in this big issue.

Scottish Division

11. **Pete Wishart** (North Tayside) (SNP): How many service personnel are serving in the regiments of the Scottish Division. [207386]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): As at 1 November 2004, the total trained strength of the Scottish Division of the infantry was 3,005. That figure excludes officers and soldiers currently serving away from their battalion, and attached personnel from other armed services.

Pete Wishart: On the day that the Secretary of State has made an arrogant non-statement about the further redeployment of another Scottish regiment, does the Minister appreciate the outrage that abounds in Scotland? While those in another Scottish regiment will do their duty for the Government, the Government will cut their numbers, amalgamate the regiment out of existence, and continue to stab them in the back at home.

Mr. Ingram: I hope that the hon. Gentleman will wait to hear the answer, and not walk out in a huff as he did the last time we discussed the matter. The question comes a little amiss from him and his party, given that they do not want the type of role that is currently undertaken by Her Majesty's armed forces anywhere in the world. We are seeking to strengthen the capability of the Army. We are putting more resources in and we will make the new structure more resilient, more robust and more capable of meeting the threats of the future. That is what serving personnel want to hear. I recognise that the hon. Gentleman wants to play politics with the subject, but we have the defence of the realm to consider.

Defence Exports

12. **Syd Rapson** (Portsmouth, North) (Lab): What recent efforts he has made to promote British defence exports on the international market. [207387]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): The Ministry of Defence provides a high standard of support to legitimate defence exports. The Defence ministerial team plays a full part in this work and Ministers have continued to promote UK defence exports vigorously. In recent years we have helped UK defence industry to win orders worth on average around £5 billion annually, including such major achievements as the sale of Hawk to India, worth £800 million.

Syd Rapson: Will my right hon. Friend comment on the Government's refusal to adopt the Archerfish programme, which is designed to destroy underwater munitions? It was invented with the encouragement of the Government, but we failed to take up the programme. Unfortunately, the Americans have grabbed it with both hands, and it looks as if they will develop it and sell it back to us. We have lost a brilliant invention, and export potential for this country.

Mr. Ingram: The British Aerospace bid was deselected in the programme competition to which my hon. Friend refers, on the basis of its performance against the UK's requirement. I know my hon. Friend would agree that we must get the right equipment to support the forces in the job that they have to do. In this case, it was judged that the proposed system was not suitable. However, the UK Government are supporting BAE Systems' Archerfish bid in the current US one-shot mine disposal competition. I stress that the US requirement is substantially different from that of the Royal Navy, but I have taken note of my hon. Friend's strong views on the matter.

Hugh Robertson (Faversham and Mid-Kent) (Con): One of the most successful defence exports of recent times has been the British servicemen who are currently employed by private military and security companies abroad. Does the Ministry of Defence consider that the regulatory guidelines affecting those companies are sufficient? What impact are their activities having on retention in the armed services?

Mr. Ingram: It is too early to say what impact that will have on retention. There is some anecdotal information that could indicate that there may be a draw to areas where service personnel with a very high level of skills could be employed. Of course we will do what we can to encourage them to stay in the armed forces. The regulations are not strictly a matter for the Ministry of Defence, but if the hon. Gentleman writes to me accordingly, I will find out the background.

Defence Airfield Review

13. **Angus Robertson** (Moray) (SNP): If he will make a statement on the defence airfield review. [207388]

The Minister of State, Ministry of Defence (Mr. Adam Ingram): As my right hon. Friend the Secretary of State for Defence announced to the House last July, we are undertaking an extensive review of our future requirement for airfields. We currently have in excess of 70 airfields of various sizes—a number based on the requirements of the cold war, and of older aircraft. With changes to the strategic environment and new aircraft scheduled to come into service, we need to ensure that our airfields are configured to meet the requirements of the future.

The defence airfield review is being taken forward through a series of business cases assessing the best basing configuration, both operationally and in value for money terms, for a number of future aircraft types. The possible consequences for airfields included in business cases might be confirmation of a current role, a change in role or, in some cases, closure. Most of the business cases are not due to conclude until later this year. However, some business cases may reach initial conclusions on individual aircraft types sooner. Any final decisions on the consequences for airfields will be announced to the House.

Angus Robertson: I thank the Minister for his very full answer, but what economic and social consequences of any potential base run-down and closure are being factored into the review, and how is that being done?

Mr. Ingram: This is about the basing of aircraft types. Once it is decided what is right for the Royal Air Force and the armed forces generally, there will be further consultation about the impact on local communities. I know that the leader of the hon. Gentleman's party has suggested we should abandon the Eurofighter project, and that would mean the closure of Leuchars air base. Perhaps the hon. Gentleman should go there and explain the position to those involved.

Asian Tsunami

3.31 pm

The Prime Minister (Mr. Tony Blair): With your permission, Mr Speaker, I would like to make a statement following the earthquake and tsunami in the Indian ocean on the morning of Sunday 26 December.

In the early hours of 26 December, the earth moved along some 1,200 km of the sea bed, creating first a sea in retreat, then a sea borne along by a wave of such force that it literally obliterated not just the area of the coast at Aceh nearest to it, but land over 3,000 km from its epicentre. It was a force of nature so unimaginable in its power and catastrophic in its impact that it quite simply washed the life out of villages, towns, tourist resorts and anything alive on the water in areas across the entirety of the Indian ocean. It affected Indonesia, Sri Lanka, south India and the Andaman and Nicobar islands, the Maldives, Thailand, Burma, Malaysia, Somalia, Kenya, Tanzania, the Seychelles and Bangladesh.

The estimated number of people killed now stands at over 150,000, with millions of people forced away from their homes. As well as the devastating loss of life and immediate suffering, there are significant longer-term implications. Many people have lost their means of earning a living. Fishermen have lost their boats and nets; farmers' crops have been destroyed; roads, bridges and buildings are damaged or destroyed, as are coastal areas where livelihoods are dependent on tourism.

We should begin by expressing the total unity of the House in giving our deepest condolences for the loss of life in those countries directly affected by the tsunami, and to all in this country who have lost family members, friends and colleagues in the disaster. Scarcely any of us here will not know someone whose life has been touched by this event. None of us will have not been moved to tears as each night we saw, with mounting horror, the human tragedy that followed the natural disaster.

I can announce today that there will be a memorial service later this year for the victims of the tsunami, which will be attended by Her Majesty the Queen. We will give more details in due course, and will obviously wish to take account of the views of relatives in planning the service.

I shall divide my statement into three parts. I shall deal first with the loss of British lives, secondly with immediate humanitarian help for the countries concerned, and finally with the longer-term issues of redevelopment and reconstruction. I hope the House will forgive me if I go into a little detail on those issues.

Let me begin with our own citizens. The number of confirmed dead is now 51. The number of category 1 of the missing—that is, those highly likely to be lost—is, including the 51, now 453, up from 443 last Friday. Of those, 371 are in respect of Thailand and 50 in respect of Sri Lanka. The numbers in category 1 have stopped rising so rapidly. Not all of them will prove actually to be dead, though many may. The category 2 figure, relating to those unaccounted for in the region but not in the "highly likely" category, now stands at 871, down from over 2,000 late last week. Previous experience, I am advised, tells us that that figure may never fall to zero.

On 26 December, the Foreign Office established temporary offices working in all the affected areas. There is now, for example, a temporary office the size of a medium-sized embassy in Phuket. Staff have also been deployed at overseas airports to help with any problems of British nationals and to issue emergency passports to those without travel documents.

There are 75 police officers working in Thailand and Sri Lanka, both to assist in an international effort to recover and identify the dead, and to give specialist advice to our Foreign Office teams in those countries. Their work is enormously difficult as well as very distressing.

Sadly, many victims were swept away by the force of the tsunami and their remains may never be recovered. In other cases, and as time goes by, forensic identification of the remains becomes extremely hard. DNA testing may be required and that will take time. I know that that will only add to the agony of the families concerned. I am afraid, however, that no short cuts are possible. The pain and upset that could be caused by mistakes would be even worse.

The Foreign Office has funded the deployment of portable mortuary facilities to the disaster areas in Sri Lanka and Thailand and is working closely with international undertakers to facilitate the repatriation of bodies once they have been positively identified. British officials and police officers are now working with the families of the victims to repatriate remains where appropriate and to help the injured to get home. The Foreign Office has assisted affected families with the cost of repatriating remains; immediate medical expenses for those seriously injured; medical evacuation; and return travel for two members of the victim's family.

The emergency call centre took over 40,000 calls at the peak, and has taken over 135,000 in total. Over 200 family liaison officers have been appointed to support every family of British nationals we think are highly likely to have been involved. I should explain that that figure is lower than the number of likely deaths because some families have unfortunately lost a number of relatives in this terrible tragedy. We are also looking to provide family liaison officers for families in the affected countries where appropriate and are supporting families in the UK who have lost family members who lived in those affected countries, particularly in Sri Lanka, where over 30,000 people were killed.

The Foreign Office has also ensured that there are full reception arrangements at airports for people returning to the UK. That includes tailored medical attention where necessary, assistance with getting home and access to psychological and emotional support services. The British Red Cross has also established a helpline for victims of the disaster and their families and a family support network for those affected.

I would like to say some words about the Foreign Office, police and other staff involved in this operation. The complexity of the operation is obvious. The grief of the families is manifest and absolutely understandable. There could not be circumstances more taxing. There will inevitably be mistakes made or unintended insensitivity in certain cases. However, I am clear that those staff on the whole have done a quite magnificent and exceptional job and I would like to express our heartfelt thanks to them.

Let me now turn to the action that the Government have taken to alleviate the consequences of the tsunami in the countries affected. Within hours of the

[Mr. Tony Blair]

disaster striking, the Department for International Development's crisis operations team was set up and it sent out its first assessment team. The next day, DFID began airlifts of tents and plastic sheeting in response to an urgent request from the Government of Sri Lanka. A series of airlifts followed, including approximately 80 tonnes of water donated to the Maldives and enough basic emergency medical supplies to Indonesia to treat 100,000 people for three months. We focused our immediate effort on support to the United Nations humanitarian organisations, the Red Cross movement, non-governmental organisations and a range of practical actions, such as delivery of urgently needed relief items, including water, water containers, tents and blankets and plastic sheeting.

As time has passed, it has become clear that the biggest challenges are in Indonesia and Sri Lanka. The UN is leading the international humanitarian response, and Britain is supporting the UN co-ordination and logistics effort to improve delivery of assistance. In Indonesia, we have provided equipment to help establish the UN field office in Banda Aceh, plus five helicopters and some vehicles to the UN for use in the Aceh province. We have also provided two experts for its assessment team, two UK emergency teams and three military operations teams, which are working closely with local government and partner nations to assess needs. We also have a range of medium and heavy-lift cargo aircraft—including RAF Hercules and Tristar aircraft, and a number of helicopters—involved in delivering aid to the region. We sent some five flights to Indonesia, carrying almost 4,000 family tents. We are putting together plans for further airlifts, from both Europe and other regions, of relief materials to the region. We are also deploying two fully equipped and manned helicopters from the Gurkha battalion stationed in Brunei.

One of the main challenges in both countries is distributing the massive amount of aid provided. UK forces are playing an important role in this. We are providing significant airlift capacity, including one RAF C-17 plane and five C-130 planes. Two naval vessels—Chatham and Diligence—have been providing assistance off Sri Lanka, together with their Lynx helicopters.

In respect of the money pledged, the first thing is to pay tribute to the remarkable but typical generosity of the British people. Their willingness to contribute—the funds contributed by them now stand at over £100 million—is the best illustration of the British character, and it shows a warmth of spirit and a depth of compassion that have been uplifting, even as we contemplate the tragedy that gave rise to it.

I should set out the Government's contribution so far. In doing so, I should mention that in my conversations with the Presidents of Sri Lanka and of Indonesia—and again this morning with the Indonesian Foreign Minister—all have gone out of their way to express not only their gratitude but their admiration for Britain's response: that of the British people in their own right, and through their Government.

The international pledges now total some £2 billion. The European Union as a whole has already collectively pledged or given €1.5 billion. A meeting of EU Foreign Ministers on Friday agreed to ask the European Investment Bank to consider an Indian Ocean tsunami facility of up to €1 billion. The British Government's contribution is as follows. I have agreed that the Government will increase their pledge to the immediate humanitarian response from £50 million to £75 million, with an additional £25 million from the Treasury's central reserve. None of this, incidentally, has been taken from our existing development programmes. Of this £75 million, around £30 million has already been disbursed to the UN and to the non-governmental organisations. Our share of EU budget money allocated is a further £15 million; gift aid tax relief amounts, roughly, to a further £15 million. We will also make a special donation to offset the VAT on goods sold to raise money for the tsunami appeal, and DFID has offered to pay the cost of air freighting equipment and supplies paid for by donations from the public. Six flights have already departed; another goes tomorrow.

In addition, the G7 is agreeing to an immediate moratorium on debt repayments by afflicted countries, for those that request it, until a full needs assessment is completed. The suspension of debt servicing in 2005 for Indonesia alone will, for Britain, total over £70 million. So all in all, around £200 million of British Government money has already been committed or spent. But as I indicated last week, we still have to await the World Bank's full assessment of the long-term reconstruction needed. In all likelihood, that will require further disbursements. In addition, we will continue to meet any immediate requests for humanitarian assistance. I might add that the provision of so much military equipment also has a cost, which the Government rightly bear.

Long-term reconstruction in Sri Lanka, and especially in Indonesia, leads on to the lessons in respect of the international community's response to any future natural events. First, my right hon. Friend the Secretary of State for International Development—his Department, like the Foreign Office, has performed in an outstanding way in the past two weeks—has set out in a paper to the UN how he believes that the administration of its response capability can be improved. He will go to New York next month to discuss this issue. Presciently, he first made these suggestions in a speech shortly before Christmas.

Secondly, we need urgent work on early warning systems, and not just in the region affected. The Jakarta conference on Thursday agreed that a regional warning system was needed in that region. The world conference on disaster reduction will consider in Japan later this month how that and other similar needs can be met. In addition, I have asked the Government's chief scientific adviser, Sir David King, to put together a small group of experts to advise me on the mechanisms that could and should be established for the detection and early warning of global natural hazards.

Mr. Speaker, the last two weeks have shown a world in shock, but also in solidarity. It is not just the money given: it is the volunteering to help collect it; the doctors and nurses wanting to go out and help in the region; the experts from every field imaginable clamouring for a chance to serve and to give of their time, energy and expertise.

Later this year, the world will turn its attention not just to a natural disaster, but to one that is man-made—Africa. Daily in that continent, thousands die

preventably from conflict, famine and disease. If the domination of that issue on our TV screens is less dramatic, the suffering of human beings is every bit as severe. If we were, as a result of the strength of our sentiment towards the victims of the tsunami, to turn that same sentiment into action on Africa, perhaps those whose faith has been shaken by the monstrous consequences of the event that we have witnessed would have it renewed. There could be no greater good to come out of it.

Mr. Michael Howard (Folkestone and Hythe) (Con): I thank the Prime Minister for making the statement and for giving me advance sight of it. Two weeks on, it is still difficult to comprehend the awful and awesome scale of this disaster. There could be no more poignant reminder of how frail and fragile is the human condition and of how tragedy can befall any one of us at any time. Our prayers have been for all those who have lost relatives and friends, and our immense thanks go to everyone who has been working so hard in so many ways to provide help to those who have suffered such loss.

Confronted with a disaster on this scale, it would be natural for people to feel helpless, but from the moment the disaster broke, the British people responded with heartfelt and urgent generosity. Spontaneously, quietly, selflessly and typically, they gave their money and their time to help those in need. That required no Whitehall initiative, no grand scheme and no ministerial diktat. The lead has come from the people, not the politicians. I welcome the very substantial amounts—over and above the £50 million that the Government expect to contribute in aid over the next few weeks—that have been donated.

The Secretary-General of the United Nations has pointed out that, in the past, not all the money pledged by different countries for natural disasters has actually been given. From now on, every country must measure up to its promises. Does the Prime Minister agree that it would be sensible for the United Nations to produce a regular independent audit of the disaster income received and the expenditure made? Will he also now agree to give Parliament a regular report on the amount of British aid pledged and spent?

We also welcome the decision of the financial institutions and broadcasters here not to charge commission on credit card donations, and the Government's decision in respect of VAT. Many of those who have made telephone donations to the disasters emergency committee wish to maximise their generosity and have asked to have their donations gift aided. As things stand, the disasters emergency committee would have to write to every one, requiring hundreds of thousands of letters, which is clearly not the best use of their time or money. The committee has asked to be released from that obligation, so will the Prime Minister act on that request? What is more, people who put money in collection boxes cannot claim gift aid, so will the Government act to ensure that people's spontaneous generosity is not penalised? We also need to make sure that any lessons from this terrible tragedy are learned and shape our future response. Those grieving deserve no less.

Are the Government satisfied that all the diplomatic help that could have been made available was made available—and with the necessary degree of urgency? Can the Prime Minister also tell us how our back-up at home, including our performance in setting up the necessary help lines, compared with that in other countries? How many people were operating the helplines?

Will the Prime Minister tell us whether the civil and military co-operation group set up to help deal with emergencies has yet been deployed to the region and, if so, when? Can he confirm that, in 2001, the group was due to join the Sri Lankans in a training exercise to practise responses to a tsunami but was stopped on grounds of cost? If so, does he agree that that was a false economy?

A number of other countries released estimates within days of the numbers of their nationals who were missing. I realise that this is a difficult decision and judgment. Nevertheless, will the Prime Minister explain the Government's thinking behind the decision not to do so, and their subsequent change of mind?

The British people who have given so generously do not want these shattered communities to be forgotten as soon as the television crews leave. The best way of ensuring that these places are not forgotten is to establish lasting relationships with the area concerned: school to school, church to church, temple to temple, mosque to mosque, community to community. Will the Prime Minister support the setting up of a register of those local authorities who are prepared to join in such a scheme and co-ordinate such efforts?Will he join me in paying tribute to organisations such as Red R, which are already engaged in providing people with technical skills to respond to emergencies around the world?

The Prime Minister is absolutely right to say that while our attention is fixed on the visible catastrophe around the Indian ocean, we should not forget the wider problems of world poverty. It is easy to forget that around the world some 30,000 young children die every day from diseases that are entirely preventable, or that almost 1 billion people live on less than $1 a day.

Britain's presidency of the G8 and of the EU gives us a singular opportunity to help lift people out of poverty by fighting for freer, fairer trade. Does the Prime Minister agree that free and fair trade is the best way to lift people out of poverty? While developed countries give with one hand by providing aid, all too often we take with the other by imposing tariffs.

The earthquake has been a disaster on a global scale. Tectonic plates clashing off the coast of Sumatra led to Britain's worst loss of civilian life since the second world war. Grief has known no boundaries, so why should we still maintain tariff barriers to keep goods out and perpetuate poverty at a time of want? Both the EU and the United States have imposed a tariff on clothes from Sri Lanka. Even since the disaster, new tariffs have been imposed on goods from Thailand. What representation has the Prime Minister made to the EU Trade Commissioner about these tariffs?

Protectionism by developed countries at the expense of the developing world must come to an end. It is both indefensible and immoral. Would not ending it be the most fitting tribute to the generosity of the British people and the most fitting memorial to those who have so tragically lost their lives?

The Prime Minister: First, I thank the right hon. and learned Gentleman for his response. I shall try to deal with as many of the issues as I can. In respect of the money pledged, those pledges must be followed through and the money given. The UN will provide an update and we will raise that matter with it. I will make sure that Parliament is regularly updated on our contribution, as I have done today.

In respect of gift aid, I met the members of the DEC the other day and they raised the issue with me. The Inland Revenue is looking at this with them to see what help we can give. Obviously we must be careful as we must make sure that the system works in a proper and robust way. However, it is obviously right that they have better things to do than to send out letters.

In respect of Britain by comparison with other countries, I think that we have operated well by comparison with anyone. The best judges of that are those in other countries. In conversations that I have had with the Presidents of other countries and with the United Nations, great tribute has been paid, frankly, to the organisation and work of the Government, as well as to the generosity of the British people. More than 100 people, at the maximum, were, I believe, working in the call centres.

In respect of the emergency teams, they were deployed pretty much straight away. I do not know the answer to the point on the Sri Lankan team for 2001, but I can find out and let the right hon. and learned Gentleman know.

In respect of the numbers of dead and the figures, different countries have dealt with that in different ways. It is a difficult dilemma. Had we put out right at the beginning the overall number of missing—the people in the region—it would have been 7,000. That could have caused quite unnecessary upset and alarm. We waited until we thought we were in a better position, when the numbers had come substantially down.

We shall carry on updating people regularly on the numbers. The interesting thing is that over the past three days, the figure of 443 in category 1 of last Friday—that is, those highly likely to have been involved—has risen by only by 10. It was rising at a far greater rate in the few days before that, when it virtually doubled in a week. I am passing on the advice given me by experts working in the area in saying that there has to be caution even about these figures. There will be people who were in category 1 who have, fortunately and happily, turned up and come out of it. There will be people in category 2—currently there are 871, but that figure is down from more than 2,000 late last week—who will come through. Indeed, the figure may even be different as I stand and speak now.

The difficulty in giving a number is that a lot of caution must be attached to it. I was informed by Home Office research people that in respect of disasters that have happened in this country—for example, rail crashes and so on—there are still significant numbers of people missing some years after the event, although the overwhelming likelihood is that they are all well and alive. For that second category—the 871—we cannot be sure what will happen ultimately because people may remain on that list for a long period, but that does not necessarily mean that they have died in the disaster.

In respect of how people match up with those abroad—school to school, and community to community—I saw for myself in Shipley the other day that people are already doing that. If it can be facilitated through local authorities, that is a sensible suggestion, and Ministers and the Office of the Deputy Prime Minister are already looking at that.

In respect of the Red R, I totally agree with the work that it does.

In respect of the G8 and Africa, I agree that free and fair trade is obviously extremely important, and representations have, I understand, already been made, on Friday, about trade tariffs on Thailand. I have to say, though, that I think that all that is about more than simply trade, or indeed aid. The G8 deliberations and the Commission for Africa report on which the Government are working, with other countries and people around the world, will deal with trade, but will also deal specifically with the main killer diseases and with two issues that are not often put properly on the agenda in respect of Africa—conflict resolution and governance. Those matter, too. What is important is to have a comprehensive package to put forward. That package will be backed up: for the coming financial year, the Government have trebled aid to Africa from what it was a few years ago, and that is a major commitment. In my view, however, unless those other issues are dealt with as well, the public will lose heart about whether the money that they are putting into aid is actually going to be properly spent. That is why the measures in relation to conflict resolution and governance will also be a very important part of what we put forward.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): I, too, thank the Prime Minister for his detailed statement this afternoon. On behalf of my right hon. and hon. Friends, I extend our complete sympathy and condolences to all those at home and abroad who have lost loved ones on such a colossal scale.

Despite the acres of television coverage over the past two awful weeks, it still seems hard to believe that, on our first day back after less than three weeks away, we should be having these exchanges about such monumental loss of life from such an unpredictable natural catastrophe, which has encompassed so much of the globe in the intervening period. The Prime Minister was surely right that there can be no one in the House who has not had direct contact with constituents, friends or family members who have been caught up in the aftermath of this catastrophe.

One person from my home area, where I have been spending the recess, Mr. David McCallum, was distraught because his son, daughter-in-law and grandson were in Thailand at the time. Initially, he had great difficulty, as did so many, in making contact through the emergency lines. He wanted me to put on record, however, that once those lines were up and running, he found them extremely helpful. I was glad that the Prime Minister went out of his way to pay tribute to those who have been manning those services. Given the scale of the catastrophe, its instantaneous nature and the difficulty of communications due to the destruction of infrastructure, their contribution has been positively heroic. We should all say that clearly.

That heroism has also been matched, as the Prime Minister rightly said, by the instinctive, spontaneous generosity of the British public. I therefore hope that, although the Prime Minister used the phrase "British

Government money" in his statement, he would be the first to acknowledge that all British Government money, whether charitable or collected through taxation, is the British public's money, whatever source or means it comes through.

In terms of the lessons that the Prime Minister, the international community and all of us must draw, does he agree that this kind of global catastrophe underlines yet again the need for international responses through international institutions. Some predictable voices elsewhere, not least in north America, have been saying yet again that this is an example of the indolence or incompetence of structures such as the United Nations. Is not the Secretary-General correct to re-emphasise that the United Nations is but the sum of its constituent parts? The emphasis must therefore be to ensure that aid pledged is aid given and that the technological support made available is deployable by the United Nations through its agencies. The challenge to individual member states is to make that institution and others work better for the future.

On the United Nations, the Prime Minister referred rightly to the excellent contribution that the International Development Secretary made in a very considered speech before Christmas. Will one item for the International Development Secretary's New York discussions be the possibility of the UN establishing a well-trained, well-equipped, well-resourced standing rapid reaction disaster relief force, with a view to the future? While not being able to cope instantaneously with any disaster on such a scale, such a force would none the less have a standing infrastructure that could be mobilised more efficiently than is the case with the present more ad hoc approach of individual member states.

In terms of our leadership of the G8, will the Prime Minister agree that this country's response should be viewed not just as Britain in its own right but in terms of the role that we must play in the pivotal chair that we occupy, over this year of all years, against this backdrop? As well as dealing with the aftermath of this disaster, will he also therefore ensure that the agenda that he was rightly putting forward for the British chairmanship of the G8 is not deflected but enhanced as a result of the additional concentration of minds that must take place when we see the natural challenges on us as people?

On the question of money pledged and money delivered, can the Prime Minister say more about putting in place formal tracking systems for aid pledges so that Governments can be held to account? An example that has been cited recently was the last earthquake in Iran where $1 billion was pledged, yet Iran says that only $17.5 million ever found its way directly to the affected area. That is a lamentable reflection on all the countries involved and on the delivery mechanisms.

On debt relief, we very much welcome the Government's pledge to commit £100 million a year to write off debts owed to the UK by the poorest countries. Will that pledge be dependent on the conditionality of previous debt relief measures? Surely the Prime Minister will agree that we must make sure that the money saved through debt relief is used to build basic poverty alleviation systems in the debtor countries. That, too, will be something on which the international community will look to us to give a lead in the G8 during the coming 12 calendar months.

This has been a most hellish and unimaginably grief-stricken period. The grief and grieving will be endless for so many, but what we can do, and what the House of Commons can help to contribute constructively through practical measures, will go some way at least to giving people the sense that their politicians are responding to the most fundamental human needs of all.

The Prime Minister: I thank the right hon. Gentleman for his constructive response and ask him to pass on our thanks to Mr. McCallum for his kind words. It is worth pointing out that the maximum number of 999 calls in any day across the whole UK is approximately 25,000 and the centre was receiving 40,000 at its peak. The heroism, as the right hon. Gentleman rightly described it, of the staff everywhere is a tremendous tribute to them.

It is clear, and was clear in the days immediately following the tsunami, that the UN is the proper body to take things forward, and in my conversations with President Bush, he has entirely understood that. In any such situation, people want to make as immediate a response as they possibly can and obviously the United States will be a major player, particularly in respect of Indonesia, in getting help to them, but there is widespread acceptance everywhere that the United Nations is the appropriate body to lead this. That raises the issue of whether it is also the body with the right capability. The points that my right hon. Friend the Secretary of State for International Development was making in his speech before Christmas are similar to the issue of ensuring that there is a standing capability able to go into action at any point in time. Over the last few years, in our own country, we have established the so-called Cobra process, which allows people to be pulled together quickly. That is not capability that needs to be in a state of constant readiness, but it needs to be able to be deployed in a ready state, if necessary. That is one of the issues that the UN will look at over the time to come.

It is important that we are not deflected from our G8 responsibilities in respect of Africa. Yes, we shall certainly use the G8, as we have set out, to push forward the programme on both Africa and climate change; we have made those two things the centrepiece of our G8 presidency. In the G8, our relationship with both America and the European Union will be immensely important in taking that forward.

On the amount of aid that will be spent, it is interesting that we have already spent £30 million of the £50 million that we immediately allocated; it is now up to £75 million. I think the money will be spent in this case, but it is important that we track it to ensure that.

Finally, on the moratorium on repayments—the servicing of the debt—those things will be looked at in the immediate and longer term at the meeting that will, I understand, take place on 5 February. We will play our full part in those discussions and attempt to put in place a long-term framework that backs up the UN reconstruction efforts.

Donald Anderson (Swansea, East) (Lab): The scale of the disaster is unprecedented in modern times and any comments we now make must be in that context. Does my right hon. Friend agree that the initial misplaced criticisms about the tardiness of our consular services, the jammed switchboards and so on have given way overwhelmingly to admiration by the public, and certainly the travel trade and others, of the quality of the response? Will he also confirm that this is a great opportunity for the United Nations and that he will do all that he can, both as leader of the G8 and, in the second half of the year, in the European Union, to find ways and means of enhancing the status and the co-ordinating role of the United Nations?

The Prime Minister: I agree with both points that my right hon. Friend made. It is also important to pay tribute to some of the companies that have given of their time and effort. There has been a remarkable response right across society—business as well as civic society. Yes, this is a chance for the EU to show its worth and the international will is there for it to do so.

Mr. Ian Taylor (Esher and Walton) (Con): The Prime Minister was right to talk about the efforts to avoid such a catastrophe in the future. Will he ask Sir David King, the chief scientific adviser, to consider the role of clusters of satellites? From my knowledge of the space industry, I know that it is possible to detect surface heights and changes in sea level. In this case, even with terrestrial warning systems, there probably could have been a 90-minute warning to people to get away from coastal areas. That is an essential way to give confidence to people when they go back to those regions that, next time, they will have a warning.

The Prime Minister: That is a very good point. Sir David King will, of course, look at the role that satellites can play. It is interesting that he informed me that the costs of providing such systems are not prohibitive in any way at all. Although we talk about this as being a natural disaster that was not preventable, some of its consequences undoubtedly would have been preventable if different systems had been in place.

Mr. Andrew Dismore (Hendon) (Lab): I am sure that my right hon. Friend would like to join me in recognising the magnificent effort of those in the Tamil community in north-west London, particularly in Colindale and Kingsbury. Last Friday, they loaded three full containers with aid—food, medicines, equipment and clothing—to send to Sri Lanka. Will he look into their fears that aid to Sri Lanka is not being distributed equitably—concerns that were exacerbated by the decision not to allow Kofi Annan to visit the badly hit Tamil areas during his recent trip to Sri Lanka?

The Prime Minister: I think that there will be a lot of concerns: once people have given, they will want to know that what they have given will be properly used. Our best estimate at the moment is that, obviously, issues will arise in the rush to get aid out, but we are satisfied that the aid is getting to the people who need it. We believe that, even in those areas of Sri Lanka that my hon. Friend described, everything possible is being done by the Sri Lankan Government and others.

Sir John Butterfill (Bournemouth, West) (Con): Does the Prime Minister recognise that many people in this country have families and relatives in the affected countries, some of whom would like to go out to assist in the reconstruction effort and to comfort their families but cannot because of the immigration regulations? For example, Mr. Sasikumar, who is from Sri Lanka, lives in my constituency and is a hard-working newsagent. He has been in this country for six years and was granted political asylum. His application for British citizenship was submitted over a year ago, but it has yet to be determined, thus preventing him from going out to comfort his mother and family, as his father was killed. Is it possible that cases of that type, where there are compassionate grounds, could be fast-tracked?

The Prime Minister: I can certainly look into that, since I am sure that the hon. Gentleman's constituent will not be the only one in that position, although there may be complications as he is an asylum seeker. I will certainly look into that and let the hon. Gentleman know.

Mr. Win Griffiths (Bridgend) (Lab): I thank my right hon. Friend for the very full statement that he has made to us this afternoon. May I underscore, from my own contacts with the Indonesian embassy, how in their grief, they have been much comforted by both the positive response of the Government and that of the people of the United Kingdom to the disaster in the Indian ocean? Although there have been immense difficulties in distributing aid in Banda Aceh, it is now beginning to get out, and the British Government have been very positive in the help that they have given there. However, in the medium to long-term, could the House have a quarterly report on progress on reconstruction, debt relief and tariff barrier changes, not just for Indonesia but for the other affected areas, because, for most of us, the disaster is beyond our comprehension?

The Prime Minister: I assure my hon. Friend that we will make sure that the House is regularly updated on those and other issues.

Sir George Young (North-West Hampshire) (Con): In his statement, the Prime Minister paid tribute to the work of the Foreign and Commonwealth Office, and what he said struck a chord in the House, but does he accept that that generosity of view may not be shared by those of our constituents who tried to get through to the call centre immediately after the disaster? I cannot be unique in having a constituent who lost a member of his family and who for two whole days was unable to get through. When he got through to Bangkok, his query was referred back to London, then to Hendon and then to Glasgow. Does the Prime Minister think that we did as well as we could have done, and if he does not, will he take steps to ensure that, the next time there is a disaster, it is easier for distressed people to talk to another human being, instead of getting the engaged tone or a recorded message?

The Prime Minister: I am very sorry about what happened to the right hon. Gentleman's constituent. Obviously, we will look at the lessons that can be learned about the rapidity of our response in such situations. On

the whole, I think that those involved got it going about as fast as is humanly possible. As I said, the pressure in the first few days was enormous. I know that my right hon. Friend the Foreign Secretary will look carefully at what lessons can be learned for the future.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): I too lost a constituent in this terrible tragedy. I was interested in my right hon. Friend's comment in respect of Sir David King's activity. Will my right hon. Friend ensure that Sir David's remit is sufficiently wide not just to cover issues of response and so on, but to help in the reconstruction of the science base in the countries affected, because they need at an indigenous level as much support as possible to build the mechanisms necessary to stop such events happening again?

The Prime Minister: My hon. Friend makes a very good point. I will certainly make sure that Sir David's recommendations take account of that. There is also the issue of ensuring that all the scientific expertise in the world—some of it most prominently in this country—is put at the disposal of those countries, so that they can use it to put in place the requisite warning systems.

Rev. Ian Paisley (North Antrim) (DUP): I apologise to the House for being late, but weather conditions in Northern Ireland are not favourable at the moment and the plane was delayed. I listened to the Prime Minister on the radio while coming in and heard the contributions made. I pay tribute to the generosity of our people across the United Kingdom, especially the Ulster people who themselves have been through great difficulties but have been most generous.

I have a connection with a church in south India of some 2,000 members. Eight hundred and fifty of them were killed in this terrible tragedy. The church needs to help the many, many children who were orphaned or who cannot be traced to any home in the community. I would like the Prime Minister to keep that in mind and to see that money for orphans will be made available in those areas. This will be an ongoing situation, and needs all the help that we can provide.

The Prime Minister: I am sure that the hon. Gentleman is right in what he said. As one part of the work that we are doing, and doing with the United Nations and the aid agencies concerned, we will continue to look particularly at the plight of children who have been orphaned. I hope that he will allow me through him to pass on our deep condolences to those in the village where so many people died in this terrible disaster.

Claire Ward (Watford) (Lab): May I draw my right hon. Friend's attention to a letter that he will have received last week from Alison Warner of Abbots Langley neighbourhood watch which sets out what they are doing to raise funds and proposes a more formal link between villages and towns in this country and many of those overseas that have been hit? Will he also consider how people in this country with skills that are much needed in the areas hit by the disaster can be helped to take part in voluntary schemes, so that they can go overseas and assist wherever possible?

The Prime Minister: I congratulate my hon. Friend's constituents who have come together with such speed and generosity to help link up with those affected by the disaster. One of the things that we are discussing with the NGOs and aid agencies that are most active in the area is how we can facilitate volunteering. We will look at that, too. Many, many people—we have been inundated with calls—have expertise in particular areas and want to use that in the countries concerned.

Mr. Roger Gale (North Thanet) (Con): One reason why people have been so generous in giving is probably the graphic nature of the pictures that have been sent back. I should like to think that the Prime Minister would join me in paying tribute to those brave reporters who have brought the pictures and radio stories back under very difficult circumstances. We criticise them often enough. Just occasionally perhaps we should recognise that they have done a good job.

Part of that generosity has been gifts in goods. We know that dry goods, medicines and household goods such as soaps and toiletries are in warehouses around the country, waiting to be shipped. It has been indicated that they will be shipped only on demand. Will the Prime Minister ensure that at the very least the goods are collected and collated, and if not shipped immediately, then shipped as and when appropriate?

The Prime Minister: We are working closely with the aid agencies on that and obviously we have agreed to pay the costs of transporting to those areas. Although a lot of goods and items will have accumulated, given the normal speed of operations in such circumstances, things are being moved. However, we will ensure that everything possible is done to get them out to the areas that need them as quickly as possible.

In respect of the media coverage, I agree with the hon. Gentleman. It has in many ways been remarkable.

Mr. Robert N. Wareing (Liverpool, West Derby) (Lab): May I say how grateful we all are that the Government responded so speedily to this crisis? To a large extent, they have led the way.

I appreciated receiving a letter of 31 December from my right hon. Friends the International Development Secretary and the Foreign Secretary. However, one paragraph of it concerns me, and I should like the Prime Minister to assure me on it. It says:

> "The FCO has established a package of assistance to be provided on a case by case basis to those who would otherwise not have the means to meet costs associated with the death or serious injury of a British national."

I hope that there will be no means-testing of assistance. Whether a victim was a millionaire or is from a family on a moderate income, equal assistance should be given. There should be no question of adding financial problems to the trauma that those people have already gone through.

The Prime Minister: There will be no question of adding any financial burdens to those families. That would obviously be wrong. I thank my hon. Friend, though, for his tribute to DFID and the Foreign Office. Indeed, tribute should also be paid to the Deputy Prime Minister for his co-ordinating work.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): On behalf of Plaid Cymru and the Scottish National party, may I fully associate myself with the Prime Minister's expressions of condolence and also the expressions of gratitude for those out in the field who are trying to relieve the situation?

I am pleased to hear that further Government aid will not be drawn from existing development or aid budgets. Can I have the right hon. Gentleman's assurance that there will be no case for that to happen at any stage? May I respectfully ask him to consider supporting the initiative of the Scottish National party and Plaid Cymru that every Member should donate a day's pay to the relief effort?

The Prime Minister: I think that donations are a matter for individual Members, but I would be surprised if most hon. Members had not contributed in some way.

In respect of aid, we have made it clear that our aid programme—I single out Africa in particular—should not be prejudiced as a result of this relief programme. As I said, we will have made a significant contribution when all the different bits of the aid are added up, including the relief from the service repayments on the debt. As I said earlier last week, it will probably amount to several hundreds of millions of pounds.

Huw Irranca-Davies (Ogmore) (Lab): One of the hardest things facing many UK families at this time is the waiting and the uncertainty of not knowing whether they will receive news of the death of a loved one or the good news that a loved one has been found. That is the case for the family of my constituent, Kevin Barnett, who are waiting for news of their son, who has been moved up to category 1. What can my right hon. Friend do to assure the family not only that every resource is being deployed to identify those who are missing but that, should any more resources be needed, they will be deployed? Finally, will he join me in commending the work of the liaison officers, who have been such a crutch for many families at this time?

The Prime Minister: I express my sympathy to my hon. Friend's constituents, who will be having an absolutely hellish time. We all feel for them. I thank him for his kind words about the family liaison officers. They have been extremely valuable to people and have worked very hard. I can assure my hon. Friend that we will do everything that we can in terms of any resources that are needed. I should say that the British forensic experts working in the region with those of many other countries have been doing a marvellous job in distressing and difficult circumstances.

Mr. Edward Davey (Kingston and Surbiton) (LD): Further to the answer that the Prime Minister gave to the hon. Member for Hendon (Mr. Dismore) about Sri Lanka, what assurances has he sought and received directly from President Kumaratunga that aid will be given to all stricken communities, including those in the north and east of the island? If he receives evidence that the Colombo Government are falling short of fulfilling their humanitarian responsibilities, will he ensure that the British Government follow the lead of the Italian, Danish and Norwegian Governments and freight aid direct to those communities, even in Tamil-led and Tamil-controlled areas?

The Prime Minister: The Sri Lankan Government have given that assurance very strongly, and they repeated it in Jakarta on Thursday. We will make sure that that is held to. We have to look at the best way of getting aid out to people. Normally, that will be working through the Government concerned, but it is important that aid gets to every part of Sri Lanka, and I can assure the hon. Gentleman that we will do everything that we can to facilitate that.

Ann McKechin (Glasgow, Maryhill) (Lab): May I welcome my right hon. Friend's statement and the Government's rapid support for a moratorium on debt repayments, which will probably be the greatest help to the victims at the end of the day? Given the scale of the disaster and how long it is likely to be before reconstruction work can be completed, does he agree that there should be an independent assessment of how sustainable debt now is for the affected countries, and does he agree that unsustainable debt should be cancelled?

The Prime Minister: That is precisely what the conference on 5 February will examine and the World Bank will by then have produced its report on the reconstruction effort needed in Indonesia in particular.

Tony Baldry (Banbury) (Con): Following the comments of the hon. Member for Glasgow, Maryhill (Ann McKechin), I think that the whole House would hope to see debt cancellation, wherever possible, rather than a debt moratorium. Will the Prime Minister confirm that it is not just a case of Africa or Asia but that what we are all looking for in the G8 year is a strategy for the whole of the developing world? Will he confirm also that, during 2005, the wealthy nations of the world have somehow to work out how we find the extra $50 billion a year for the next 10 years that is required if we are to have any hope of meeting the millennium development goals by 2015?

The Prime Minister: On the latter point, that is precisely what we are doing. We are trying to mobilise international support behind what would be a G8 plan. We have to consider debt cancellation very carefully because it is important to realise that some countries do not want that. It is important also that we are careful for the future about what messages we are sending out. We need to examine the issue with care, but I have said that we will do whatever we can to help these countries. It is interesting that some countries have already indicated that they would prefer a different means of help.

Mr. Harry Barnes (North-East Derbyshire) (Lab): Given the British public's magnificent response and the important points that my right hon. Friend made at the end of his statement about the links with poverty in Africa and elsewhere, should not the Government take the high ground in these matters? I am not complaining about what is being done, but more can always be done in these circumstances. Ideas such as the Tobin tax, a ring-fenced increase in higher levels of income taxation

and the United Nations aid target of 0.7 per cent. of gross national product could then be things that we consider delivering in this year in which we are supposed to be making poverty history.

The Prime Minister: It is important that we occupy the high ground, although we must be sure that it is firm as well as high. We as a Government have set out for the first time how we can meet the UN's 0.7 per cent. GNP objective. The international finance facility that we have proposed is one way to raise that money and trebling our aid to Africa is also important. However, we must make sure that any measures that we take ultimately help the international economy and do not hinder it, which is why we must consider some of the proposals with a certain amount of care.

Mr. Anthony Steen (Totnes) (Con): Is the Prime Minister aware of an initiative being launched in the House of Commons on Wednesday after Prime Minister's questions, when a House of Commons all-party group will draw attention to the need for increased consumption in this country of Sri Lankan fish, with fish being specially flown over for the occasion? It will also raise funds for Sri Lanka's decimated fishing fleet—10,000 to 20,000 boats have been lost. Money can be raised for individual boats, with the boats named after the donors. Will he give that initiative—nicknamed "fish and ships"—his imprimatur?

The Prime Minister: I am happy to do that, and I understand that my right hon. Friend the Foreign Secretary is to attend the meeting.

Mr. Tam Dalyell (Linlithgow) (Lab): As one who has total confidence in Sir David King as Government chief scientific adviser, may I ask whether we are absolutely sure whether hazard protection is best achieved on a national, rather than an international, basis? What are the terms of reference of Sir David King and his group of experts and what is the time scale for their report?

The Prime Minister: I am pleased to see my hon. Friend back in his place again. To answer his question about terms of reference, because some of the experts on the subject are here in this country, I have told David King to bring them together so that we can make proposals, probably to the United Nations, in a reasonably informal way. I think that much of the work will be done at international, rather than national, level and that the UN will be able to lead it. What I thought was interesting about the presentation that Sir David gave me the other day was that he did not feel that the costs would be that great—in other words, the precautionary cost would be quite small, given the extraordinary cost of the disaster that has occurred.

Points of Order

4.32 pm

Mr. Michael Ancram (Devizes) (Con): On a point of order, Mr. Speaker. You will recall that during Defence questions today the Secretary of State for Defence, responding to the second question, took it upon himself to make a substantive announcement about the deployment of more troops to Iraq. You witnessed the reaction on the Opposition Benches and the silence on the Government Benches. No formal notice was given in the question asked, which was about post-war reconstruction, not troop deployment, nor did the right hon. Gentleman ask to make a statement, even though in the past the matter would have merited a full statement. The only notice that the House had was the shamelessly trailed information in the media over the weekend.

I seek your advice, Mr. Speaker. On an issue of such importance, the practice of the House has been that notice is given of a statement, and a detailed statement is made, in response to which hon. Members are entitled to ask detailed questions. On this occasion, we understand that an extra 650 troops are to be deployed to Iraq, but we have no further details of their objectives or their location. That is unsatisfactory—*[Interruption.]* Someone is saying that we are in favour of it; we probably will be, but how can we know until we know the details of what the Government are proposing? Unless we have your protection in these matters, the Government will increasingly get away with slipping out such information, showing disgraceful contempt not only for the House but for the soldiers and their families.

Mr. Speaker: I thank the right hon. and learned Gentleman for raising that point of order with me, the custodian of the rules of the House of Commons. The Secretary of State was in order. There was no abuse of the rules.

I point out that of the first 10 questions to the Secretary of State for Defence, six were related to Iraq. The purpose of parliamentary questions and Question Time is to allow hon. Members, especially Opposition Members, to draw information from Ministers, and they had at least six opportunities to do so.

The rules are for me to enforce. I repeat: the Secretary of State for Defence was in order and there was no abuse of the rules of the House.

Mr. Crispin Blunt (Reigate) (Con): On a point of order, Mr. Speaker. When the Secretary of State made his statement in response to Question 2, only two Labour Members rose to ask supplementary questions. You, Mr. Speaker, showing exquisite balance throughout the subsequent supplementary questions, called the same number of Opposition Members as Government Members. On such occasions, would it be appropriate, when there are many Opposition Members seeking to question the Government, for the balance to be suspended, to enable the Secretary of State properly to be held to account?

Mr. Speaker: Sometimes the hon. Gentleman observes things that suit his case and does not observe things that do not. He may have noticed that the Opposition Front Bench, at short notice, was able to ask two supplementary questions. I say that because it was the intention of the Opposition Front-Bench spokesman to seek to ask a supplementary question on another question. To ensure that there would be a fairer number of questions coming from Opposition Members, I allowed the privilege to be given at short notice.

I do not wish to pursue this matter. I have made a ruling.

Orders of the Day

Clean Neighbourhoods and Environment Bill

Order for Second Reading read.

Mr. Speaker: I inform the House that I have selected the amendment in the name of the Leader of the Opposition.

4.37 pm

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): I beg to move, That the Bill be now read a Second time.

The central purpose of the Bill is to improve the local environment, which directly affects people's quality of life. In my Department's five-year strategy, which we published last month, I set out our key objective of achieving environmental leadership. That is at the heart of our international agenda, but care for the environment begins at home.

When asked what is most important to them about the environment, most people mention the state of their own neighbourhood. That is not to say that there is not general concern about instances or levels of pollution, or concern about environmental hazards. When asked whether they have anxieties about the environment, the vast majority of our fellow citizens answer yes, but go on to talk about their locality, and especially about comparatively small-scale defacement of streets and parks, about run-down and decaying areas and about litter and dumping, over which it appears to them that no one takes action and no one cares.

Contrary to the reasoned amendment, that concern is felt and expressed just as much in rural areas as in urban areas. I was surprised to learn from their amendment that the Opposition appear to be so little in touch with concerns in rural areas as not to realise that.

Paddy Tipping (Sherwood) (Lab): Are those concerns reflected by the generously endowed Labour Benches this afternoon, with Labour Members representing rural and urban areas, compared with the sparse attendance by Opposition Members?

Margaret Beckett: My hon. Friend is right to remind the House that there are about 180 Labour Members in rural and semi-rural constituencies. I have long believed that this was in notable part due to the fact that people living in those areas felt that their concerns were not understood. They feel that their concerns are better understood now. He is right to point out that that feeling is reflected in the Chamber.

If we are to create a genuinely sustainable society, we must tackle the more local aspects of environmental degradation and damage as well as dealing with our contribution to global warming. The Bill is an integral part of our environmental strategy. It is also an integral part of the Government's strategy for dealing with antisocial behaviour. The damage done to the community by such behaviour is clear: dirty streets, burned-out cars and piles of fly-tipped rubbish have a self-evident effect. What may be less immediately obvious is the financial aspect of such damage. It costs

local authorities and other agencies, and thereby the taxpayer, more than £3 billion a year. The greater and, in some ways, more damaging costs may be hidden, as they are not evident in the physical appearance of our streets and neighbourhoods or in any effect on council tax or other bills. That greater cost lies in the contribution of such behaviour and of the attitudes behind it to wider criminal behaviour and to making a community feel neglected, powerless, unsafe and insecure.

The Labour party has long taken the lead in identifying and tackling that complex continuum of behaviour, which ranges from comparatively low-level environmental offences such as dropping litter and fly-posting to spraying graffiti, vandalism and more serious crimes. To deal with crime effectively, we have increasingly recognised the need to tackle the full range of criminal and antisocial behaviour. It is essential that we do not ignore low-level offences and allow a degraded local environment to give both victims and offenders the message that antisocial behaviour does not matter.

The measures in the Bill should help all those involved in local communities, rural as well as urban, to create neighbourhoods in which people are happy to live—cleaner, safer and greener communities. That means clean and safe streets, well-designed public buildings and spaces, welcoming parks and village greens, and a countryside free of fly-tipped waste. All those contribute to people's sense of well-being and to their overall health. The purpose of the Bill is to contribute to people's quality of life. Our belief that it will do so is based on extensive consultations led by my Department over the past two years, including our "Clean Neighbourhoods" consultation last summer, which aimed first to identify the problems and then to explore the solutions.

Derek Conway (Old Bexley and Sidcup) (Con): On the issue of consultation, the Secretary of State may be aware that dog welfare organisations such as the Dogs Trust, the Kennel Club and so on—I shall not list them all, but no doubt they have contacted the Department—are concerned about the proposals for stray dogs in clause 68. What consultation has she or her colleagues had with the representative bodies of animal welfare charities that deal with stray dogs? I am sure that her intentions are good, but we would like to know what they have said to her.

Margaret Beckett: There has been general and wide consultation on the issue, but if the hon. Gentleman will bear with me I shall say a little more about dogs later.

The measures in this Bill respond directly to what local authorities and others told us in the consultation about obstacles to the enforcement of existing legislation, why some provisions are difficult to use, and about the changes that are needed if authorities are to tackle antisocial behaviour and environmental problems effectively. The Bill gives them the new powers and better tools for which they asked. It also gives new powers to parish councils so that the most local level of our democratic structures can play a part in making things better. Again, that recognises that there are problems in rural areas and that the best chance of tackling them is to empower parish councils to act in their own locality.

Mr. David Drew (Stroud) (Lab/Co-op): My right hon. Friend has just mentioned an important part of the Bill, in which I declare an interest as a town councillor. Does she agree that it is wrong to regard the problem as either rural or urban, because waste goes from one area to another, usually, but not always, from urban to rural areas on the outskirts of larger cities? We must therefore tackle the problem overall, and does she agree that one way of doing so is by looking at the first tier of local government?

Margaret Beckett: Yes, I do. The issue that my hon. Friend and others have identified reflects the concerns of their contacts in local communities. Within the farming community, for example, there is widespread concern about the impact of some of those problems, and he is mindful of that.

The Bill requires crime and disorder reduction partnerships to tackle environmental crime where it is a priority in their area. That is something that the best partnerships are already doing, but others have been slower to recognise the evidence of the impact of such crime and to take action.

I should say at once that we do not want to be prescriptive about the strategies that those partnerships are required to develop. Where environmental crime is not much of a problem, we do not demand that it feature in a strategy—the whole point of the partnership approach set out in the Crime and Disorder Act 1998 is to tackle offending as it affects individual communities—but where local environments are degraded, and especially where antisocial behaviour has taken root, we do expect local partnerships to tackle the problem robustly. Our approach, which has been strongly endorsed by senior police representatives, should ensure that local partnerships consider all the issues leading to crime and disorder in their communities, including environmental crime. To help them do so, we have drawn on the results of our consultation to give greater powers and greater flexibility to authorities and agencies to tackle such problems.

For example, alleyways giving rear access to properties are common in our towns and cities. Sadly, many provide opportunities for crime and are a magnet for antisocial behaviour. We plan to address the problem of nuisance alleyways by enabling local authorities to gate them more easily. This will allow local authorities for the first time to gate all alleyways that provide a haven for crime and antisocial behaviour, but it will also allow greater flexibility to make gating reversible, should local conditions improve or local needs change.

Ms Joan Walley (Stoke-on-Trent, North) (Lab): Does my right hon. Friend agree that there is a problem in respect of unadopted alleyways? As the Bill goes through Committee, will she consider whether additional funding can be found to ensure that unadopted alleyways are adopted, so that they can be dealt with under the new legislation?

Margaret Beckett: My hon. Friend makes an interesting point, which I am sure will be explored in Committee. Hitherto the major problem that has arisen in connection with gating alleyways has been access, and access legislation. That is what we are striving to overcome by means of the Bill.

Nuisance and abandoned vehicles often blight urban and rural communities alike. The Government intend to secure a major reduction in their number. The continuous registration scheme launched last year has resulted in a 65 per cent. reduction in the number of untaxed vehicles, and there has been a 30 per cent. reduction, for example, in abandoned vehicles in Kent following the national launch of Operation Cubit, which is a partnership between the Driver and Vehicle Licensing Agency, local authorities and the police and fire service to speed up the disposal of abandoned vehicles.

The Bill will also contribute to the Government's nuisance vehicle strategy, strengthening the existing powers of local authorities to remove abandoned vehicles from the streets and enabling them for the first time to do so as soon as an abandoned vehicle is identified. This should significantly reduce opportunities for arson and vandalism. Deliberate arson of motor vehicles costs some £230 million pounds a year. Common sense alone suggests that most of them are likely to be abandoned vehicles, so speedier removal should help to cut costs and reduce incidents that are both a nuisance and a danger.

Mr. Simon Thomas (Ceredigion) (PC): I welcome the Bill, and especially this part, which will be of great assistance to many in my constituency. May I ask the Secretary of State two questions about this part? First, has she responded to the recommendation from the Environmental Audit Committee that local authorities should have ease of access to the DVLA database to identify the owners of abandoned vehicles? That was a key recommendation, to which the Government have not yet responded. The Bill is an opportunity to deliver it. Secondly, although I welcome the extension of getting rid of vehicles from streets to areas to which the public have access, one of the problems in my area is vehicles abandoned on farmland, which become the responsibility of the farmer. What does the Bill have to say about that?

Margaret Beckett: Both the issues that the hon. Gentleman has raised might be best explored in Committee. I take his point about the database. There has been some discussion about whether and to what extent access creates a problem, but we believe that the powers that we are giving will assist local authorities. If, when the Bill is explored in Committee, there is any suggestion—and evidence to back it up—that it is defective in some way, we will look into that. We discussed fly-tipping in rural communities earlier, and I am well aware that, as the hon. Gentleman says, abandoned vehicles are also a problem in some parts of the country.

Huw Irranca-Davies (Ogmore) (Lab): Last year, tragically, a youngster was killed in an abandoned vehicle on unfenced private property in my constituency. If during the Bill's progress a way could be found of giving councils authority to enter such land to remove dangerous vehicles, it would be a great comfort to the family who lost their son so tragically.

Margaret Beckett: My hon. Friend has made an interesting point, which I am sure will be explored in Committee. Obviously there are problems with authorities' going on to private land without permission, but I take his point—as I am sure all Members do—about the problems that can be caused in certain localities, and the dangers to children.

The Bill allows authorities to tackle a not uncommon neighbourhood problem by making it an offence to repair or sell a vehicle on a road as part of a business. It will also make dealing with offenders more cost-effective, securing better value for money for the taxpayer. It is both expensive and time-consuming for local authorities to have to prosecute offenders through the courts, and their full costs are often not recovered even in the case of successful prosecutions. We are told that that is one key reason why authorities can be reluctant to prosecute for environmental crimes. To allow and encourage better enforcement, the Bill significantly increases the number of offences for which fixed penalties can be used as an alternative to prosecution.

The Bill makes a number of other changes that should promote enforcement. In particular, for the first time local authorities will be able to retain all receipts from fixed penalties. That too will help to offset the cost of enforcing the legislation. It must be right for offenders, rather than council tax payers, to bear the impact of such costs whenever possible.

Mr. Bob Blizzard (Waveney) (Lab): As my right hon. Friend will know, local authorities were first granted powers to retain receipts from fines by the Local Government Act 2003. Is she disappointed that, more than a year later, so many authorities have not taken up those powers? According to information from her Department, only 76 of 359 authorities have exercised them. Has she a message for those authorities?

Margaret Beckett: As my hon. Friend says, some authorities have used those powers well while others have been reluctant to do so. As I have said, there has been extensive consultation with authorities. That is part of the Bill's message. Although there are aspects that Members will want to discuss in Committee, we have done as much as we feel we can to address the major concerns of authorities, and to make it possible for them to use these powers to tackle problems that cause such distress in their communities. Having made the powers available, we hope and expect that authorities will use them when such problems arise.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): Will any part of the Bill give powers to the taxpayer? A constituent of mine wants a local authority to restrict the hours during which a playing field abutting his property is used. The noise from the playing field is making him ill and he is starting to become very distressed, but he cannot persuade the local authority to

close the field during the evenings. What comeback is possible for the ordinary taxpayer when a local authority will not exercise its powers?

Margaret Beckett: I should have thought that existing powers could be used if the noise and difficulty were considered to be so great, but other powers in the Bill relate to noise, and it may be possible to explore the issue as the Bill proceeds.

I said a moment ago that local authorities would be able to retain the receipts from fixed penalties. Another important point is that in most cases they will be able to vary the amount of penalties to reflect local conditions. There will also be a power in all cases to offer discounts for early payment. Again, therefore, we have tried not just to incentivise enforcement but to give authorities much greater flexibility to shape their enforcement policy to what they judge to be local needs. To go back to the point made by my hon. Friend the Member for Waveney (Mr. Blizzard), that will remove the excuse, if one may put it that way, for not using such powers, because local authorities will have much more flexibility to shape policy to local circumstances.

In the same vein, reflecting the desire for local solutions to local problems, we are extending the power to issue fixed penalty notices to parish and town councils and to the equivalent community councils in Wales. Those notices will cover a range of offences relating to litter, graffiti, fly-posting and dogs, all of which can degrade neighbourhoods.

Parish councils may often be best placed to deal with those essentially local problems. We recognise that not all parish councils will want or be able to take advantage of those powers, but others will welcome them and already have the necessary skills and resources. Extending powers to issue fixed penalty notices will strengthen the ability of local communities to deal with those problems. Parish councils, representing as they do our most local level of government, are often best placed to understand both the causes and the needs of the victims of such crimes.

Everywhere, litter is a growing problem, and the Bill contains a range of measures to help to tackle it. Under current law, littering on a footpath is an offence but littering in a private garden or in a river is not. We will close that loophole by making it an offence to drop litter anywhere, including on private land and rivers, lakes and ponds. That will make it clear once and for all that dropping litter anywhere is unacceptable.

All hon. Members will probably be familiar with the particular problem of littering on patches of open land. We will give local authorities a new power to require the owner or occupier of land that is heavily defaced with litter to clear it and to prevent it from becoming heavily littered again. That will replace the current system of litter control areas, which local authorities tell us they find burdensome, which they rarely use and which applies only to specific types of land.

Mark Tami (Alyn and Deeside) (Lab): My right hon. Friend mentioned fly-tipping. Does she accept that there is a particular problem with gas cylinders? Industry and shops no longer accept rival brands of cylinders. Not only are they dumped in rural locations but they are left in abandoned buildings, which could cause a particular threat to our fire service should a fire happen in that building.

Margaret Beckett: My hon. Friend rightly highlights a specific problem. I must admit that it has not been raised with me specifically, but I take his point entirely and I hope that the powers that we are giving will enable it to be dealt with.

On the streets, litter control notices can help in dealing with litter generated by businesses such as fast food outlets. However, they, too, are difficult to enforce, with local authorities currently required to seek a court order. We will dispense with that step to make such notices easier to use.

We will also give local authorities new powers to control the distribution of flyers and leaflets, both of which can contribute to street litter, although I say at once to ease anyone's anxiety that political leafleting will not be affected. The Bill confirms once and for all that discarded cigarette butts and chewing gum are litter, and that it is an offence to discard them in the street. That makes the law explicit and should remove any lingering doubts, whether among local authorities or others.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Does my right hon. Friend share my surprise about the reference in the amendment to the need to make producers more responsible, and does she welcome, as I do, the industry's steps to approach her Department to show at an early stage how it could play a role in this matter?

Margaret Beckett: As my hon. Friend may be aware, there has been extensive discussion between the industry and Ministers. I believe my right hon. Friend the Minister for Rural Affairs and Local Environmental Quality will shortly visit one of the major companies. We are mindful of the need, as are the producers, as she rightly says, to engage in the discussions.

Graffiti often degrades our communities and is often the result of young people using spray paints illegally. The Bill tries to reduce the problem at source by reinforcing existing legislation banning their sale to those aged under 16, and it will also make it easier to prosecute retailers who sell spray paints to that age group. The provisions are in addition to the provision in the Anti-social Behaviour Act 2003 that addresses the removal of graffiti in public spaces through graffiti removal notices. The Bill will extend that to cover fly-posting—another highly visible blight on our communities. As the Environmental Audit Committee pointed out in its report, the problem of fly-posting might be exacerbated by its potential commercial advantage in terms of low-cost event advertising. To help local authorities deal more effectively with illegally displayed advertisements, we are making it more difficult for those who benefit from such illegal advertising to avoid charges simply by claiming that they did not consent to it. We will also make it easier for local authorities to recover the cost of removing fly-posters.

Of course, the issue of waste goes beyond simple littering and fly-posting, as a number of interventions have highlighted. The illegal disposal of waste—

[Margaret Beckett]

fly-tipping—is a real problem in both town and countryside. As well as degrading the local area, it can have environmental and health risks, so we are also providing a range of measures to strengthen the legislation on, and penalties for, fly-tipping. That will enable the Environment Agency and local authorities to deal more effectively, and immediately, with those responsible. We intend to send out a clear message that this is a serious environmental crime that will not be tolerated.

The Bill will make it more difficult for those who transport waste illegally to evade the law. The circumstances in which enforcement agencies can currently stop, search and seize vehicles that could be involved in fly-tipping are somewhat limited, so we will widen and simplify their powers to do so. We will strengthen the courts' powers to deal with fly-tippers by raising the maximum penalty in a magistrates court to £50,000, and by harmonising the penalties for fly-tipping hazardous and non-hazardous waste to a maximum of five years in prison and/or an unlimited fine. The courts will also get additional sentencing powers.

The Bill contains a number of other provisions relating to waste that will help local authorities to carry out their waste management obligations more effectively. For example, they will be given the power to issue a fixed penalty notice for waste left out on the streets, provided that they have previously given clear instructions on the arrangements for waste collection.

Finally on waste, we will reform the recycling credit scheme, the original purpose of which was to encourage local authorities to recycle household waste. The scheme does not sit comfortably with the newer economic and regulatory measures that we have put in place to promote recycling and re-use. Reform of it will allow local authorities to agree alternative ways of encouraging recycling, as fit best with local circumstances. That increased flexibility will itself contribute to sustainable waste management, and will promote better working between waste authorities, the community and businesses. It ties in well with the announcement in our five-year plan of novel ways to increase recycling through a major new retailer recycling initiative in conjunction with supermarkets, which will be launched this year; and with a Waste and Resources Action Programme project to pilot, in conjunction with supermarkets, new approaches such as financial incentives, discount vouchers and new technology. Recycling has already more than doubled since 1996–97, and we are working hard with local authorities and other partners to build on that.

The Bill contains new arrangements for controlling dogs, replacing the current dog byelaw system. They give district and parish councils greater freedom of action through new powers that will be simpler and easier to use, without the need for central Government confirmation. They also give local authorities full responsibility for dealing with strays, in order to relieve—at their request—pressure on the police.

We are doing more to deal with the other nuisances that can make people's daily lives a misery. Nuisance caused by noise can be a major problem for those who live nearby. New measures for dealing with noise from malfunctioning burglar alarms, and from pubs and clubs at night, will help to alleviate these common disturbances. We are also extending the statutory nuisance regime to include two further nuisances that can degrade local quality of life: artificial light and nuisance from insects, both of which have given rise to public demand for greater action. Over-bright and badly sited security and other lighting can cause real problems for those who live nearby, and insect infestations attracted by activities such as sewage treatment works make local people's lives a real misery in certain locations. I pay tribute to my hon. Friends the Members for Brentford and Isleworth (Ann Keen) and for Plymouth, Sutton (Linda Gilroy) for repeatedly bringing these issues to my ministerial team's attention as a result of their constituency experience, and for working with us on this issue. The changes that we are proposing will enable local authorities to intervene. While we hope that most disputes will then be resolved through mediation, legal action will be made possible in the last resort.

The Bill puts the Commission for Architecture and the Built Environment on a statutory basis. Its establishment as a private company was an interim measure, but one that left it outside the ambit of the Comptroller and Auditor General. The commission's role will be unaffected—it is not a new quango—but its accountability to Parliament will be enhanced.

The Bill will play a major role in the Government's strategy for improving the environment, for developing a more sustainable future and for dealing with more of the antisocial behaviour that can blight communities. It builds on the measures in the Crime and Disorder Act 1998 and the Anti-social Behaviour Act 2003 and responds to calls by local authorities and others for practical tools that they can use to promote cleaner, safer, greener communities.

Few things contribute more to a feeling of powerlessness and disaffection in local communities than the persistence of sometimes relatively small-scale but distressing problems that no one seems willing or able to address. If, as our consultation suggests, the powers, flexibility and localised focus of the measures in the Bill will help to ensure that such issues are addressed, it will mean, for many of our fellow citizens, a real improvement in their quality of life. I commend the Bill to the House.

5.6 pm

Mr. Tim Yeo (South Suffolk) (Con): I beg to move,

That this House declines to give the Clean Neighbourhoods and Environment Bill a Second Reading because the Bill focuses predominantly on urban issues while neglecting rural areas, creates another unnecessary quango and brings local authorities into conflict with police and other authorities which currently exercise powers in relation to abandoned vehicles and stray dogs; because the Bill introduces provisions, such as clearing up chewing gum as extensively and frequently as litter, which will be prohibitively expensive yet fail to take account of producer responsibility; and because the Bill contains many unnecessary provisions which would not be needed if existing legislation were properly enforced.

I begin by welcoming the Government's recognition of the growing threats to our environment. Part of the threat exists at the global level in terms of challenges such as climate change—an issue on which, so far, the

Government's response appears to be all talk. The floods experienced in the north-west over the weekend are an example of the damage that climate change can cause locally, but we are not even hearing any talk from Ministers—not in Parliament, at least—about that.

I also accept that part of the threat to the environment is indeed evident at local level. I agree with the Secretary of State that many of the issues that matter deeply to a great many families and individuals throughout the country relate to what is going on in their immediate environment. The consequences of more litter, fly-tipping, graffiti, fly-posting, abandoned cars and so forth mean that more and more people are suffering from dirty streets, which can turn into run-down neighbourhoods and then to an increase in antisocial behaviour. Those consequences are part of our daily lives.

The threats to both the global and the local environment are important and both need action by the Government. Sadly, although they have begun to admit to the existence of the problem, all the Government have managed to do in this Bill is to cobble together a hotch-potch of measures, some of which are incoherent. Some may be individually useful, but in many cases, local authorities may struggle to enforce them. Many would not be needed at all if existing powers were being properly utilised and if other aspects of Government policy were designed to address the problems that have been identified.

A great many reports have confirmed the often depressing day-to-day experience of most city dwellers and of many who live in the countryside—the ugly intrusion into our lives and the degradation of our environment caused by careless attitudes towards the disposal of unwanted items, whether it be chewing gum, old cars or many other items. Another cause is the lack of respect for both the built and the natural environment and for property that does not belong to any particular individual. Increasingly, too, we suffer from noise and light pollution—forms of environmental damage that can be just as offensive as poor air quality and, in certain circumstances, equally damaging to health.

Damage to the environment derives from a great variety of sources, and Government policy can be one of them. In its 2002 report, the Environment, Food and Rural Affairs Committee pointed to the ghastly fiasco of the fridge mountain. Substantial costs were also suffered by taxpayers because the Government accepted new EU regulations without having the faintest idea of their implications. Individual and corporate behaviour is another source of environmental damage and criminal elements are believed to be at work, too.

A variety of organisations have produced evidence recently about the scale of the problems that we face. ENCAMS reported a 12 per cent. increase in litter last year; and the Environmental Audit Committee highlighted a 43 per cent. rise in the amount of fly-tipping dealt with by the Environment Agency since 2001. DEFRA's own municipal waste management survey highlights a 38 per cent. increase in the number of abandoned vehicles on the street. I am not sure whether the people who drafted the end-of-life vehicles directive had that outcome in mind, but that has been the effect of its introduction. There are nearly 100,000 abandoned vehicles in London alone, three for every 100 households; many are unlicensed and a significant number get vandalised.

According to the Council for the Protection of Rural England, the area of land in England that experiences severe light pollution rose by 17 per cent. between 1993 and 2000.

Andrew Mackinlay (Thurrock) (Lab): I found it incredible that the Opposition intended to vote against Second Reading and I have listened with bated breath for six minutes to a litany of wrongs, but not one remedy has been suggested by the hon. Gentleman. The Conservative party owes it to the electorate—this will be an election issue—to suggest alternatives to the measures outlined in the Bill.

Mr. Yeo: The hon. Gentleman will have to be patient for a bit longer. I was emphasising what I had rather assumed might be common ground between the Government and the Opposition: that there is a serious problem that needs to be addressed, a problem that, in any number of important respects, is getting worse rather than better.

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): Why vote against the Bill, then?

Mr. Yeo: We are voting against the Bill because we do not think that the remedies proposed are likely to be particularly effective and because we are concerned about areas of omission to which I shall refer shortly. We also suspect that the burden that the Bill will place on local authorities will not be matched by any accompanying funding.

Mr. Colin Challen (Morley and Rothwell) (Lab): One of the reasons why the Opposition seek to vote against Second Reading is that they have created this false dichotomy between urban and rural areas. I represent a seat that would be described by the National Farmers Union as an urban fringe seat, and the NFU's evidence to the Environmental Audit Committee said that, in 2000, 67 per cent. of farmers complained of fly-tipping on their land. In what way will the Opposition's stance help me and my farmers who suffer from that problem?

Mr. Yeo: The Government have been in power for quite a long time and seem to have woken up to some of the issues. On fly-tipping, I am not opposed to all the measures in the Bill. *[Interruption.]* There are "Oohs" and "Aahs" of excitement from Government Members, but just because a Bill is so deeply flawed that without substantial amendment it would be better were it not to be passed does not prevent us from supporting some of its measures. Some of those relating to fly-tipping are important and we support them because we regard the problem of fly-tipping at least as seriously as the hon. Gentleman and the NFU members polled in the survey to which he referred. I am as keen as anyone to see more effective measures taken against what seems to be an increasing problem, to which I will refer again later.

Complaints about noise have doubled in the last five years and the number of noise abatement notices has increased proportionately. However, it is not only the environment that suffers; it is also the taxpayer.

[Mr. Yeo]

The Local Government Association has estimated that local authorities spend £35 billion a year on moving abandoned vehicles. The Environment Agency has estimated that fly-tipping costs the UK economy £150 million a year. Indeed, ENCAMS has suggested that the number of individual local authorities that have to spend more than £40,000 to deal with fly-tipping has quadrupled. The Greater London Assembly says that London boroughs and transport companies spend £13 million a year on graffiti removal, on top, of course, of what private individuals and businesses spend.

Part of the problem of waste is the result of our failure to achieve better performance in relation to recycling. Britain recycles only a quarter as much household waste as Germany does and within the total recycling rates achieved by Britain, there are huge variations from one local authority to another. Conservative-led Daventry recycles 44 per cent. of waste, closely followed by Conservative-led Lichfield. That puts to shame Labour-controlled Sunderland, Labour-controlled Manchester and Liberal Democrat-controlled Liverpool, each of which musters a paltry 2 per cent. waste recycling rate.

Alan Michael: Very selective.

Mr. Yeo: I will be less selective, then. The 10 worst local authorities, none of which managed to recycle more than 4 per cent. of its waste, consist of nine Labour authorities and one Liberal Democrat authority. None of the worst performers is Conservative. By contrast, of the 10 best-performing local authorities, which all recycle more than 27 per cent. of waste, or seven times as much as the worst ones, five—surprise, surprise—are Conservative authorities, four are in no overall control and one is Liberal Democrat. Not a single one of the best performers is a Labour authority.

Dr. Alan Whitehead (Southampton, Test) (Lab): Does the hon. Gentleman accept that it is widely considered that in many circumstances fly-tipping is a direct result of people attempting to enforce better recycling and what goes with it, rather than not enforcing better recycling? Given what he has just said, does it make any sense at all for his party to vote against the Bill?

Mr. Yeo: I am not sure that I understood what point the hon. Gentleman was trying to make. If our recycling performance were better, the problem of waste would diminish and some of the adverse consequences that we are debating would take care of themselves. If there were less waste to be disposed of, because more was being recycled, the challenge we face would be at least partly addressed.

Hugh Bayley (City of York) (Lab): The hon. Gentleman will recall that when his party was in power he got the country to reach the position in which 7 per cent. of waste was being recycled. The figure is up to 17 per cent.—more than double—and we are on track to get it up to 25 per cent. Will he not at least acknowledge that under a Labour Government and with the measures that we have brought in to assist local authorities, the situation has got a great deal better than it was when his party was in power?

Mr. Yeo: I would be horrified if we had not continued to make progress as a country in raising the recycling rates, and what is absolutely clear is that that improved performance is almost entirely the result of Conservative local government. Conservative authorities are consistently achieving recycling rates above the national average, and the national average is consistently being held down by Labour local authorities. I am most grateful to the hon. Gentleman for allowing me to make that point even clearer than I had already done.

Mr. Michael Foster (Worcester) (Lab): The hon. Gentleman is describing who is responsible for the better recycling rates. Worcester city council, which is Conservative controlled, has improved the rate of recycling from about 6 or 7 per cent. to 17 per cent. as a direct result of a £400,000 grant from the Department for Environment, Food and Rural Affairs to recycle household waste. Who does the hon. Gentleman view as being responsible for that improvement—the Conservative-controlled council or the Labour Government?

Mr. Yeo: Clearly, what happens locally is the direct responsibility of the council. The hon. Gentleman has raised an interesting point, however: he suggests that funding from central Government is one means of achieving better waste management. I wonder if he can recall a single reference to any such link in the Secretary of State's half-hour speech—I think that that was how long she spoke for. The Government are giving significant extra powers to local authorities in the Bill, but they are not providing a single penny to assist those authorities to make use of those powers.

Margaret Beckett: May I point out to the hon. Gentleman that considerable resources have been made available through the spending review and various Budgets by the Government? This Bill is not the vehicle for that major source of funding. May I also point out to him that, in relation to his litany of who is and is not doing well—I accept that some councils are not doing well, although they are of every political party—one of the principal reasons for improvement in a local authority's performance, apart from the kind of funding to which my hon. Friend the Member for Worcester (Mr. Foster) has just referred, is the targets set by the Government, which authorities are required to try to reach?

Mr. Yeo: Let me correct the Secretary of State. As I pointed out, but as I will repeat, not one of the worst performing councils is Conservative. Nine of the 10 worst are Labour, and one is Liberal Democrat. She has made a further interesting point, however, by drawing attention to the resources provided by the Government. We all know that funding for local government has now been grossly distorted for political reasons by the Labour Government, to provide more funding for their friends in urban, traditional Labour areas—the very authorities that are falling down on the job in relation to recycling.

Mr. Blizzard: May I try to spell out the issue to the hon. Gentleman even more clearly? Conservative-controlled Waveney district council would definitely have been at the bottom of that league, up until about a year ago. It is not at the bottom now, but what made the difference was the £400,000 grant given by my right hon. Friend's Department specifically for a recycling scheme. That money was not part of a funding formula. It was the Government grant that made the difference.

Mr. Yeo: I congratulate the Secretary of State on her wisdom in holding back such a grant until Waveney district council was under Conservative control. At least at that point she could be sure that the resources would be effectively used.

I want to return to the resourcing issue so that we are absolutely clear on it. The Secretary of State said that previous spending rounds had provided extra money for local authorities, which, of course, I accept. Is she saying, however, that the settlements already made reflect the extra costs that local authorities will incur if they choose to exercise the powers under the Bill, or are they expected to rebalance their budgets to use those powers?

Margaret Beckett: We do not accept that local authorities will face substantial extra costs, for a number of reasons. First, we are talking about powers for local authorities, not duties—they are not required to exercise them, and I have little doubt that unless they believe that the exercise of such powers will be cost-effective, they will not choose to do so. Secondly, as I pointed out earlier, they will be able to retain fine income, so that if there are serious problems, they will have resources available to deal with them. In many cases, we are simplifying and providing greater flexibility, so that powers, which in some cases already exist, can be more effectively exercised. In those cases, local authorities are already resourced to carry out such activity. In many cases, there may be a net saving to local authorities. Certainly, we do not anticipate substantial extra burdens.

Mr. Yeo: We are teasing out some interesting information. First, the Secretary of State has just admitted that some of the powers in the Bill are not really needed, as local authorities already have powers to deal with the problems. Secondly, it was widely suggested by Labour Members that achieving better performance was linked to extra money. Now the Secretary of State is saying that there will be no extra money, and no substantial extra costs to bear. I think, however, that that statement acknowledges that there will be some extra costs involved, and it will be interesting to see what the Local Government Association says about that. Then, most tellingly, she said that there would not be duties, only powers. That seems to lead us directly to the conclusion that if local authorities are merely to be given extra powers but no extra money, it is widely assumed on the Government Benches that they will be able to do no more than they did before, so the benefits that may flow from the legislation seem, even in the Government's eyes, rapidly to be growing smaller and smaller.

Mr. Simon Thomas: Will the hon. Gentleman give way?

Andrew Mackinlay: Ask him what he is going to do about all those problems. That is what we really want to know.

Mr. Thomas: I do not need any help with my intervention, thank you very much.

I can understand the point that the hon. Member for South Suffolk (Mr. Yeo) was making about the Government's tendency to give local authorities extra duties and responsibilities, but not to fund them. I agree with him wholeheartedly on that, although it is not something that would make me vote against the Bill, which addresses a series of problems. Does he have concerns that his local authority, or others, are spending much time and energy chasing around dealing with abandoned cars and fly-tipping and sorting out with the Environment Agency who is responsible for what—whether it is major fly-tipping and thus the Environment Agency's responsibility or minor and thus the authority's? At least the Bill helps to sort out who is responsible for what, although it does not follow through on the funding responsibilities. The hon. Gentleman is right about that, but does he at least agree that the Bill brings a clarity that is lacking at present?

Mr. Yeo: Yes, I broadly agree. That is a fair point and, in view of the fact that there are some positive elements in the Bill, if my advocacy at the Dispatch Box does not succeed in persuading the House to vote for the Opposition's amendment, it will proceed to a Standing Committee next week—a fairly reasonable assumption—when we can explore further some of the points that the hon. Gentleman has just made.

Sir Paul Beresford (Mole Valley) (Con): As the Bill tightens responsibilities, and as it is supposed to be helpful, does my hon. Friend find clause 47 curious? It removes the requirement to contract out waste disposal functions. I can understand from a dogma point of view why the Government might take that on, but it is a very specialist area that involves huge capital costs generally. The contracts are long. The regulations and complications are intense and encyclopaedic. I am slightly worried that some mind-bogglingly dull local authority, of the wrong political complexion, will grab the provision with both hands and blunder in, with no competition, at great cost and great danger to its local people.

Mr. Yeo: My hon. Friend speaks on the issue with great authority, not only as one of the most successful local authority leaders of the last generation but also as a Minister who dealt directly with many such matters in the last Conservative Government. I entirely share his concern. I had intended to mention clause 47 later in my speech, but I shall do so now. The Secretary of State did not, I think, allude to it in her speech. It is difficult to understand what benefit the Government expect to achieve by its introduction, and we shall certainly try

[Mr. Yeo]

to remove it from the Bill if the opportunity arises in Committee. I wholly share my hon. Friend's concerns about the clause; only harm can come from the proposal.

The need for action is clear from the statistics that I quoted and the background that I have outlined, where I think there is common ground between the Secretary of State and me. What is less obvious is how the Bill actually helps. As I said earlier, I welcome a number of its provisions. Preventing people from running a used car business that involves parking their stock in front of other people's houses will be welcomed in many neighbourhoods, including some in my area. Even though I represent a largely rural constituency, there are some London overspill areas and estates that were formerly entirely council housing, and that problem has arisen in some neighbourhoods. In that respect, as in many others, however, I wonder whether existing powers, if properly utilised, would not be sufficient to tackle the problem.

Action to curb litter will also command support, as will powers for local authorities to seize fly-tipped vehicles and attempts to curb fly-posting. Those are all important steps in the right direction. However, I have concerns about the Bill that relate first, to how effective it will be; secondly—a point that we have touched on already—to the costs of enforcement; thirdly, to its somewhat intrusive nature in certain respects; and fourthly, to those things that are omitted altogether.

Taking the enforcement issues first, the Bill will give local authorities extra power to deal with the growing problem of abandoned vehicles. I am not absolutely clear how the role that local authorities will be asked to play fits with the role of the police, but, no doubt, that can be explored in more detail in Committee. I am not clear why the Government believe that the new arrangements will be so much more effective than the present ones.

A central difficulty will surely remain in tracing the owners of those vehicles. That will not get any easier as a result of the Bill, although the hon. Member for Ceredigion (Mr. Thomas)—I am not sure whether I pronounced his constituency correctly, but I know where it is—made a constructive point about that. In the circumstances, it seems unlikely that more than a handful of successful prosecutions will be brought. Even if local authorities can keep the proceeds of the fixed penalties levied on those who abandon vehicles, there is still a risk that the cost of pursuing offenders will exceed the income that they may generate. Local authorities must either burden council tax payers further or simply ignore the problem, despite the changes introduced in the Bill.

Mr. Kevan Jones (North Durham) (Lab): I am listening carefully to the points that the hon. Gentleman is making. It is some 25 minutes since he rose to speak. It is some 18 minutes since he gave a commitment to my hon. Friend the Member for Thurrock (Andrew Mackinlay) that he would get around to the alternatives that the Conservatives would propose. We have just passed Christmas and next Christmas is coming fast. When will he get around to those alternatives, rather than saying what is wrong with the Bill and that he will vote against it?

Mr. Yeo: I can give the hon. Gentleman a bankable assurance that I will do so by the start of the general election campaign. He may have more knowledge of when that will be than I do.

Effective action is certainly desirable against the growing menace of litter, but we have concerns about the unrestricted or widespread use of fixed penalties, not least because of the risk that they may quickly become a revenue source of their own for local authorities, rather than a deterrent to prevent litter from being dropped in the first place. The example of speed camera partnerships is a warning of what may happen when bureaucratic or unaccountable bodies see an income stream that they can tap into.

The Bill contains stronger measures to control outdoor advertising. I accept that uncontrolled fly-posting and illegal advertisements disfigure some neighbourhoods, but I share the concerns of the Campaign to Protect Rural England about the growth in moveable hoardings on trailers, and it is not clear whether the Bill will help in that respect.

My hon. Friend the Member for Vale of York (Miss McIntosh) will deal in more detail with the waste provisions in the Bill when she speaks later. I want to move now to the crucial issue of noise and light pollution. The provisions in the Bill on noise may be valuable in tackling specific problems such as intruder alarms, although their effectiveness will depend heavily on whether local authorities decide to spend money on using them. The bigger noise problems, such as the noise from increased traffic and aircraft, are regrettably not addressed by the Bill, despite the fact that they affect a growing number of homes.

The consultation procedures, for example, for air traffic decisions, such as those that have led to an increased volume of air traffic over my constituency—South Suffolk—are seriously deficient. Similarly, the Government's present programme for introducing quieter road surfaces is very leisurely to say the least. The result is that villages such as Sproughton in my constituency must wait for years for relief from the noise from the nearby A14. Vehicle and aircraft noise is a bigger and more urgent problem for many residents than anything covered by the Bill, and I regret the fact that the Government are making no attempt to tackle it. Furthermore, the Government's introduction of 24-hour drinking is also likely to lead to more disturbance at normally quiet times of the night.

The Bill acknowledges growing public concern about light pollution, but I am afraid that the effectiveness of its provisions will be considerably reduced by the lengthy list of exemptions. I fully recognise the concerns of people who fear the consequences of yet more statutory regulation intruding into aspects of daily life, which common sense suggests could be safely left to self-regulation and voluntary initiatives. The Secretary of State herself said that she hoped that in many cases

disputes about light pollution could be resolved by negotiation. We will want to explore those provisions in more detail in Committee.

Hugh Bayley: Which of the long list of exemptions on light pollution would the hon. Gentleman's party not support?

Mr. Yeo: That is exactly the sort of issue that we want to explore in Committee. There are situations—*[Interruption.]* Let me give an example of one that affects my constituency. Felixstowe port is one of the most successful in the country and has expanded to the point that its lights are visible for many miles around. That has become an issue of great concern and it will be of concern if there is further expansion on the Essex side of the estuary. There are categories such as that—

Mr. Robert Key (Salisbury) (Con): Airports!

Mr. Yeo: My hon. Friend mentions airports.

We should take the opportunity now that the issue of light pollution has been recognised in the Bill at least to explore whether other categories can be brought under some measure of control, because the effect of such lights is reaching a larger group of people. Let me emphasise that in principle it is highly desirable that there should be large parts of Britain where it remains possible to enjoy silence during the day and darkness during the night.

I question what benefit there is from giving a statutory basis to the Commission for Architecture and the Built Environment—a body that has certainly not been without controversy during its short life so far. I note that, despite what the Secretary of State said about accountability, the Bill does not require the body to publish an annual report. As I have said, she has been coy on the subject of costs. That is no surprise at a time when public borrowing is spiralling out of control. The Government may not wish to face up to the fact that their policies are placing extra burdens on local authorities, but coping with those burdens may mean even bigger increases in council tax. After all, the Environmental Audit Committee pointed out that the Anti-social Behaviour Act 2003 would be more effective at curbing fly-tipping if the Environment Agency and local authorities had more resources to use the powers that the Act gives them.

Let me draw attention to some things that are omitted from the Bill but are directly relevant to clean neighbourhoods. DEFRA has admitted that in 2003 air pollution in urban areas was recorded as moderate or higher on 50 days on average per site measured, and in rural areas on 61 days on average per site measured. In both cases, those figures were more than double the comparable figures for 2002. The Bill is conspicuously silent on the subject of air quality, despite its obvious environmental and health importance.

I mentioned at the start of my speech that global issues such as climate change can have devastating local consequences. Nothing in the Bill addresses those challenges or even acknowledges the link between them. One week after Britain failed, along with Greece, the Czech Republic and Poland, to participate in the launch of the European Union emissions trading scheme, I can understand Ministers not wanting to talk about these issues, but the fact that despite having had years to prepare, Britain is not participating in one of the most important initiatives designed to tackle climate change should be a matter of shame for Ministers. It exposes the Prime Minister's claim to be putting climate change at the centre of his chairmanship of the G8 and presidency of the EU as nothing more than a hollow fraud. It is just talk, and very unconvincing talk at that.

Linda Gilroy: The hon. Gentleman has just mentioned climate change, which is not, as far as I can see, mentioned in the reasoned amendment. I bring him back to the issue of chewing gum. The reasoned amendment says that the Government are failing

"to take account of producer responsibility".

Will he be clear on what precisely he means by that? What producer responsibility would he expect? The answer would be of great interest to the hundreds of my constituents who earn their living in the Wrigley's factory.

Mr. Yeo: My hon. Friend the Member for Vale of York (Miss McIntosh) is in discussions with Wrigley's—*[Interruption.]* We are not jumping to conclusions. She will deal with the problem because it is part of the Bill in which she takes a close interest. She will deal specifically with the concerns raised. Of course I understand that a business will be anxious about the possible impact of more stringent legislation on one of its products.

Andrew Mackinlay: Will the hon. Gentleman give way?

Mr. Yeo: No. I will not damn the hon. Gentleman by saying that he is a friend of mine, but nevertheless I have given way enough.

The Bill is being introduced at a time when the issues with which it deals are becoming more urgent and serious. However, it does not provide evidence of a coherent Government strategy to deal with waste and pollution—things that damage the quality of many people's lives every day. Although we will use the Committee stage to make improvements, we remain concerned about the effectiveness of some of the provisions, the enforceability of others and the meddlesome nature of yet others. We are doubtful that local authorities, on which more responsibility is being placed, will be keen to embrace all the new measures unless they are accompanied by extra cash to implement them. The Bill ignores too many things. For all those reasons, I urge the House to support our amendment.

5.41 pm

Paddy Tipping (Sherwood) (Lab): The Bill is significant in that it recognises and responds to the needs of local residents. For the past couple of years, I have had the great privilege of touring the country and talking to groups of people about what they would like future policy to contain. What struck me was the priority that they gave to their local environment. They want their local streetscapes lifted and their environment enhanced. That applies in both urban and rural areas.

[Paddy Tipping]

I note with interest, for example, that the National Farmers Union, the Country Land and Business Association and the Campaign to Protect Rural England broadly support the measures. If read carefully, the Bill can be seen to work for both urban and rural communities. For their own political interests, some people want to drive a wedge between the urban and rural communities whereas they are, in fact, integrated and need to work together.

Mr. Drew: My hon. Friend can add to that list the Local Government Association, which also comprises Conservative authorities. It does not argue that the Bill imposes additional costs. It is very much four-square behind it.

Paddy Tipping: It is the case that the LGA supports the Bill. It has been a strong advocate for a long time for more effective environmental legislation.

Let me mention some of the groups that I met. Kay Henshaw and her neighbours on Wigwam grove, Hucknall were fighting for the removal of litter and fences and for trees and grassland to be maintained properly. When the people in Rainworth were asked for their priorities, they wanted cleaner and safer streets, more trees, more flowers and better maintenance of grassland. The people who formed the Ollerton traffic action group wanted to stop traffic ingressing into their area. I also met farmers such as the Hammond family, who farm close to Bestwood country park, who were concerned about fly-tipping and abandoned cars on the urban fringes.

My hon. Friend the Member for Morley and Rothwell (Mr. Challen) made a good point about the importance of urban fringes. We must build on the work of the Countryside Agency to ensure that our urban fringes are more than places where cars go to die and are not the final recipients of refrigerators. Urban fringes offer exciting opportunities. Reforming the system of paying farmers gives us an opportunity to intervene.

I argue strongly that people support the Bill because they know what happens when their neighbourhood is blighted. We all know too well what happens where streets are littered, where pavements are cracked and not repaired, where gardens are overgrown and where cars are abandoned or are repaired on the street. The Bill tackles that for the first time. It is in those neighbourhoods that we get crime and antisocial or nuisance behaviour. People feel strongly that if we can build cleaner, greener, stronger communities, and if we can adopt an attitude of no tolerance not only towards crime but towards environmental crime, we can build better communities. That is what inspires people. What hard-working people want is a better environment—a better place to bring up their children.

I believe strongly that the Bill provides a cornerstone for building such an environment. It will not be easy, but there are indications in the Bill that we are going in the right direction. There is a clear recognition that the problem cannot be solved by one Department, one agency or one group of people. The measures in the Bill are closely intertwined with those for dealing with antisocial behaviour. We have to take a comprehensive approach to lifting our communities and to building better, safer places. That is why it is important that the Department for Environment, Food and Rural Affairs, the Office of the Deputy Prime Minister and other Departments, such as the Home Office, are involved in promoting the Bill.

It is significant that, building on the antisocial behaviour legislation that the Minister for Rural Affairs and Local Environmental Quality was instrumental in piloting through the House some years ago, crime and disorder reduction partnerships are to take environmental nuisance behaviour into account when making their plans. If we want cleaner, safer neighbourhoods and communities, it is fundamentally important that those working partnerships put that aspiration at the heart of their plans.

I am pleased that town and parish councils are to be given new powers, a point made by my hon. Friend the Member for Stroud (Mr. Drew). If we believe in localities, we must trust local people to make decisions, and we must be big enough to recognise that the decisions that they make will not always be those that we would make. It is right that things should be different in, say, Nuneaton, Newcastle and Nottingham. There are different problems and different solutions, and we must empower people to move towards those solutions.

We need to involve people in this process. First, we must empower local authorities, which are increasingly recognising the importance of high quality streets and communities. But they must not be shy of involving local people in those discussions because, as my right hon. Friend the Secretary of State said, people know the needs in their area, and they know the solutions, too. Local authorities need to think more strategically. They need to empower local groups to take action themselves. We must move forward on the new localism agenda. We should not be afraid of volunteerism. These are people's streets; these are people's communities; these are people's problems. We must help them to find solutions.

Mr. Challen: Does my hon. Friend agree that although the Opposition seem to fear that fixed penalty notices might simply become a new revenue stream for local authorities if those notices are in the hands of town and parish councils and other local authorities, there will be greater accountability and transparency in the way that money raised from them is spent, if it is spent, on cleaning up local communities?

Paddy Tipping: My hon. Friend is absolutely correct. The issue is one of trust and devolving resources. We must ask people how they would spend the money, and the response will differ across the country. To be candid, we have not been good at doing that, but I hope that we will get better at it.

Local authorities face costs—for example, the Bill contains provisions for gating orders, building on the provision in the Countryside and Rights of Way Act 2000 to close footpaths in high-crime areas. We all thought that that was a big step forward, but it has proved to be enormously difficult. One of my local authorities, Gedling borough council, expended a lot of staff time on trying to resolve those issues in the Bigwood area. I accept that some alleyways are the

focus and locus of antisocial behaviour, but we have to be careful about using gating provisions. We have to consider why the provision in the 2000 Act has not worked. It has not worked because, at times, there is a clear conflict between the need to deny a venue for antisocial behaviour and people's legitimate right to take a short cut to school, to work or to the bus station. Many of the details of gating orders will be set out in regulations to be published later by the Secretary of State. I think that the Standing Committee should analyse the provisions so that we can be sure about simple matters such as who does the gating, who pays the costs of gating and who maintains the gates.

Local authorities will give priority to the issue, but I think that the most important thing we can do is to raise consciousness of the fact that antisocial behaviour and environmental crime are nuisance behaviours. Alongside the provisions of the Bill, we must drive forward a programme to ensure that people understand the significance of clean, green and prosperous communities. Cleanness and greenness will increase the prosperity of neighbourhoods, so that they are places to which people return rather than places from which they flee to rural areas.

The Bill refers to changing the regulations on the financial position on waste. I am rather disappointed that there is no suggestion of direct or variable charging. The Government have a good record on recycling: people said that we would never reach the 17 per cent. target, but we are on track to do that and we shall do more. Alongside the current measures, however, there is a strong case for financial instruments so that people who recycle more are rewarded in some way—perhaps by a reduction in their council tax. I have examined the long title fairly closely and I believe that the issue is one that the Standing Committee may discuss at some length.

The Bill paves the way to a better future. People want a better place to live. Hard-working people have high aspirations for their families. They know that houses in clean, green, well-maintained streets are more valuable, but what could be more valuable than a place that is safe for children and is not polluted by litter, antisocial behaviour, noise and light? The Bill contains new measures on all those problems. It gives people the tools for the job. We must provide the resources and find the processes that will make it work.

5.54 pm

Sue Doughty (Guildford) (LD): Let me make it clear at the start that we welcome the Bill. All the evidence that we have seen suggests that the penalties are not strong enough to deal with problems such as fly-tipping, graffiti and the sheer volume of rubbish on our streets. In several Adjournment debates, the House has discussed how to deter people from committing environmental crimes. We know that action is needed. Although the Bill has drawbacks, the problems can be dealt with in Committee, resulting in an improved Bill.

We have to get across to people the message that they share responsibility for the appearance, the feel and the safety of our communities and that environmental crime matters. However, the Bill jumps around—in some ways, it is a dog's breakfast of a Bill, the result of the Government's failure over the years to consider whole systems for legislation. Now, we are left to tidy up. We have had a slew of legislation on tangential issues. The Waste and Emissions Trading Act 2003 was introduced solely to deal with reducing biodegradable waste, but it could have done so much more: it could have covered littering, fly-tipping and many of the other issues dealt with in the Bill. The Anti-social Behaviour Act 2003, which the Bill would amend, could have dealt more effectively with graffiti and fly-posting. The Commission for Architecture and the Built Environment is to be dealt with in the Clean Neighbourhoods and Environment Bill, rather than in a planning Bill. I get the feeling that we are taking the populist approach of giving people what they want ahead of the general election, but we know that people are asking for much of what is in the Bill, so while we regret that many of the issues have not been dealt with before, we will support the Bill that includes them.

We want clean and safe communities. It is essential that there is much better management both of the big problems, such as fly-tipping and the damage it causes, and of the smaller, more mundane problems of littering and chewing gum that cumulatively spoil our environment. When a neighbourhood is littered, when graffiti is present and where fly-posting is rife, the area is degraded and degenerated. When we fail to dispose correctly of the products that we have used or no longer require, we have a mess on our streets, in our rivers and in our countryside.

The Government have a mess on their hands now. Total municipal waste increased by 19 per cent. between 1997 and 2003. We are at the bottom of the European recycling league and municipal waste is continuing to increase. Our streets are littered with more abandoned cars than ever before: in the past two years their number has increased by 37 per cent. to more than 300,000 a year. The amount of high-level radioactive waste has increased by 9 per cent. and no one knows what we are going to do with batteries. Fly-tipping continues to increase—by how much we do not know. Last summer, I forecast that fly-tipping would increase as a result of DEFRA's last-minute approach to the provision of facilities for hazardous waste, but the Government say that it has not—their figures do not show an increase. I went back to the people who were reporting the increase—the farmers on whose land lorry-loads of asbestos have been dumped. They tell me that, if they report the matter and the perpetrators are not caught, the authorities charge the farmer for tidying up, so they say nothing. There is a slew of unreported waste littering our commons, our farms and our countryside. It must be dealt with, which is another reason why we support the Bill.

I have met farmers who have repeatedly been stuck with the problem. Even if they have seen someone dumping waste on their land, the Environment Agency has not had the resources to follow up on detection so that it can secure a conviction and penalties. Under the Bill, the Environment Agency will continue to face a shortfall in its resources for detection. Getting a conviction and penalties is great, but detection is extremely important.

Mr. Drew: Does the hon. Lady accept that some landowners—only a few—abuse the system? Waste is brought in and they do not ask too many questions

[Mr. Drew]

about what is being tipped. We need the Environment Agency to be more proactive about enforcement. Does she share my hope that the Bill will achieve that?

Sue Doughty: The hon. Gentleman is making an important point and one with which we must deal. There is a difference between people who are willing to litter the countryside or have their land used in that way and those who are innocent victims of others who arrive at night, dump stuff and disappear, to leave others with the cost. I am worried about the Bill requiring owners to clear their land if they were not responsible for the litter or the dumping.

It is amazing that the Tories are not supporting the Bill. They say that it

"focuses predominantly on urban issues while neglecting rural areas".

That is flawed thinking. Does the Opposition's amendment mean that it does not matter that streets look like tips? Does it mean that people should have to tolerate mess day after day? Does it matter that not enough is being done about abandoned cars? Do the Tories think it acceptable that someone living in a private house should set up a car dealership and park cars along the road to the detriment of the entire community? That is being allowed in Guildford, and nothing is being done to eradicate the problem. I am astonished. Do the Tories want fly-tippers to keep the means by which they commit their crimes and not have the vehicles that are being used for that purpose seized?

It seems that a hugely imaginative step is being proposed. It is one that the Environmental Audit Committee recommended, as did other bodies. We can start to see some remedies taking effect. If we are to have more building in the south-east on brownfield sites, we need to manage the waste that will be produced. Construction waste must be better managed and we must introduce legislation to deal with that issue, but the Tories oppose that approach. Will they be happy when construction waste continues to appear on farmland, in quarries and on commons? Is that what they want? They do not want to deal with fly-tipping on farmland, even though the National Farmers Union supports the Bill. Are they no longer talking to farmers?

The Local Government Association, which is chaired by the Tories, is backing the Bill. As I have said, the Tories are not doing so in the House. The Tories do not want spot fines for those who drop chewing gum on the streets, yet councils face enormous costs in clearing that nuisance. Westminster city council—I think that it is Tory run—spends £90,000 a year on removing chewing gum. There are 300,000 pieces of gum in Oxford street, but nothing is being done to change the disgusting habit of throwing used chewing gum on the streets. It seems that that is what the Tories want. Their approach is opportunistic. They are running after a bandwagon that is missing.

Dr. Whitehead: In pursuing the hon. Lady's puzzle about why the Conservatives are opposing the Bill, can she offer us any explanation? Was it Christmas? Was it a decision taken immediately after a long Christmas lunch? Has the hon. Lady any view on the matter?

Sue Doughty: The hon. Gentleman tempts me but I will not go along that route. It is a question that requires a few moments in the early morning while we lie awake worrying about the matter. It is something that can be questioned. I am not sure about the reason.

I am worried that the Tories are not proposing anything to sort out the mess. Rural policy is wider than restoring fox hunting. The problem with environmental crime is poor management. Fly-tipping in the countryside is being left for landowners to sort out. There is a lack of management.

Dogs are out of control and present a nuisance. As the hon. Member for Stroud (Mr. Drew) said—he is no longer in his place—it is not a matter of urban versus rural. It is an issue that affects us all. If we are to get tough on crime, we must not walk away from environmental crime that ruins communities.

The Bill deals with what is obvious and visible, but it wills the end without the means. We want to ensure that funding is available to local government. It is clear that it will need pump priming. I accept that there may be savings in the end but there must be a realistic beginning. I was interested when the Secretary of State touched on that topic. I look forward to hearing more about it in Committee.

We are faced with increased mountains of hazardous waste. The door is wide open for cowboys and we need to do more to tackle the problem. There are only minor penalties on conviction for those who spoil our environment. Perhaps we are all in agreement that they are too low. They do not provide an incentive to stop the man in the white van agreeing to remove rubbish and then dumping it as soon as he can. They do not do much to stop fly-posting or anything to deal with the litter associated with street handouts. It is clear that the penalties need to be increased if they are to present real incentives.

As the Environmental Audit Committee said, we also need to ensure that courts are prepared to impose real fines and not opt for the lowest penalty when the issue comes to court.

The Secretary of State suggested that owners should limit access to sites subject to fly-tipping. We need to ensure also that when that is done a periodic review is undertaken. When alleys are gated off in urban areas or lanes in the countryside, there should be full consultation to ensure that access is still available to farmers and that they are not penalised.

The Bill could do much but it has weaknesses. There is the fixed penalty system. Who is handing out the fines? Are there opportunities for appeal? What is the position of persistent offenders? The garage to which I have referred—it was a private house a few years ago—constantly exceeds the number of cars that are permitted to be parked on the road. That situation is factored into its costs. A fine of £100 is probably not sufficient in those circumstances.

Will councils employ private contractors? If so, how will they be managed? In my constituency, and I am sure in many others, car clampers have come to work on behalf of councils. They have been predatory and disgraceful in their way of working. They have extracted penalties equivalent to a week's wages. There seems to be little opportunity of appeal and I want to ensure that people are entitled to justice when issued with fixed penalties.

We have problems with parish councils that become litter authorities. I am not criticising the larger parishes that are successful and hold elections for their members but there are too many parishes where the members are unelected. I would not want an unelected parish council to have the powers that are proposed. If we want quality parish councils, we want elected parish councils.

Alun Michael: The hon. Lady makes an important point. Does she agree that the Government were right to make the elected requirement a key element of the quality parish councils, and encourage parish councils to make use of the powers that the Bill will provide in the context of becoming genuine, well-run and elected councils?

Sue Doughty: I welcome the Minister's comments. I hope that we will hear more in Committee about how the process will work.

We have a problem with Traveller encroachment. Somehow, it seems that farmland is, again, no longer considered important. Those of us who have farms in our constituencies constantly hear of the devastation that may be caused after Travellers have illegally occupied land and left it in a mess, with asphalt laid and other problems. These are issues that we need to consider in Committee. It is clear that they need sorting out. I have no problems with prosecutions where people fly-tip. If there are powers to take away vehicles, and those vehicles are used to tow Travellers' caravans, there needs to be clarity, because there may be a human rights issue. I hope that the Government will be able to provide clarification.

I agree with the hon. Members for Ceredigion (Mr. Thomas) and for Ogmore (Huw Irranca-Davies), who mentioned the tragic incident involving a child in a car in the countryside. We must deal with abandoned cars in the countryside as well as in the streets. Abandoned cars are a blight on the countryside, cause pollution and, as we have heard, are a hazard.

There is also the problem of houses in multiple occupation where there are broken-down cars awaiting repairs. The Government are right to draw attention to the problem. With increased brownfield development and infilling in towns leading to reductions in parking places and several people sharing a house, there is often not just one householder. If two cars break down that belong to two owners in one house, how will the Government deal with that? There is less off-road parking for private vehicles than there used to be, particularly in urban areas. There is a balance to be struck between the people who live in an area, who have a reasonable right to maintain their cars on the street if there is nowhere else available, and the people who live around them. More clarity is required.

Mr. Patrick Hall (Bedford) (Lab): I certainly agree with the hon. Lady about people who may need to maintain their car on the street, but would she not draw a distinction between an individual maintaining one car and someone running a business in the street?

Sue Doughty: The hon. Gentleman is right. We do not want people to repair cars on the street for profit and there is nothing in the relevant clause that we dispute.

There are gaps in the Bill, including, for example, the import and disposal of nuclear waste. Liberal Democrats, including my hon. Friend the Member for Lewes (Norman Baker), regularly urge the Government to address the problem of nuclear waste, and it is time that they did so. Only last month, however, they announced that they are going to allow foreign nuclear waste to be buried in the UK. It is a pity that the way in which we deal with nuclear waste is not covered by the Bill.

There is no mention of penalising people who deliver junk mail, even when householders express a preference about not receiving it. We are the junk mail capital of Europe. We do not need all that junk mail and if someone says that they do not want it, we should make sure that their wish is respected.

Mr. Challen: What about "Focus"?

Sue Doughty: "Focus" is a high-quality leaflet and I am sure that no one would regard it as junk mail. *[Interruption.]* As I have just been told, it is informative and factual.

We welcome the freedom that the Bill gives to local authorities. Unlike the Conservatives, we welcome an end to the insistence that an authority should always contract out the functions of disposal. Surrey county council, for example, is bound into an inflexible 25-year contract that costs a fortune to maintain and does not allow it to move easily to more sustainable waste management. That is wrong. If a local authority has the skills and the ability to undertake disposal and can compete with private business, why should it not do so? We should create the flexibility to put better waste strategies in place.

There is another dog that did not bark. People have talked endlessly about allowing councils to make variable charges for waste management. In its report of December 2002, "Waste not, Want not", for example, the strategy unit identified a package of measures to reduce the growth in waste volume, including more freedom for local authorities to introduce variable charging and schemes that reward households that increase their recycling and reduce waste volumes. Such schemes included council tax discounts for households that compost waste, rewards and prizes for homes that recycle rubbish and variable charging schemes to reduce council tax for people who recycle the most.

The Secretary of State, however, appears to be going backwards. In *The Sunday Times* of 8 August 2004, she accepted that while there were political risks there was

"potential for significant long-term gains."

What are those risks? There is unanimity among the main parties in the Local Government Association, which supports the proposals. In Parliament, however, that is not the case. Have the Government rejected the proposals out of cowardice, and are the Tories going backwards because they prefer to accuse others of stealth taxes than introduce constructive proposals of their own? Another Government scheme that could result in increases in recycling will not see the light of day.

Moving on to the problem of noise, I agree with the hon. Member for South Suffolk (Mr. Yeo) that the Bill does not go far enough. It deals with faulty burglar

[Sue Doughty]

alarms, but not faulty car alarms, which plague some individuals. Excess road and air noise are a sheer misery for certain neighbourhoods. Constituents of mine who live by the A3 suffer day in, day out from excess noise—they cannot sleep and their walls rattle. That is not acceptable, but there is nothing in the Bill to deal with the problem. However, we welcome the opportunity to gate alleys and snickets. There was a successful pilot in Liverpool, where 5,200 alley gates were installed. Domestic burglary has been reduced by 24 per cent., but we must ensure that access is granted to people who require it. We must consider what happens when they no longer need access, but we must also make sure that the emergency services fully support such gating. They must be provided promptly with information and maps so that they know which roads are open and which are not. Too often, the police are not provided with such information, and they lose the opportunity to catch miscreants because they do not know where to go.

We welcome action on light pollution, but there are worrying exemptions. In Committee, I hope that we can discuss permissive action. BAA invited us to take part in an environmental safari at Gatwick airport, so that we could see how it had attempted to reduce light emissions and make the transition to lighting from renewable energy sources. It has undertaken a voluntary initiative to save money and reduce light, but exemptions should be introduced only after consultation. They should not be automatic, because much more needs to be done. If a car showroom is opened close to a residential area light is shed everywhere. The problem is not picked up in the planning application, and it is only when the garage has opened that the council says, "We never expected that to happen." People need lighting for safety purposes, but it should be directed downwards, not outwards and upwards.

The Bill should address the problems caused by other pollutants. After a weekend of devastating storms and floods leading to loss of life and huge damage—the House will sympathise with the distress experienced by the people of Carlisle—the Government have missed the opportunity to tighten local government powers on climate change adaptation and mitigations. Climate change is the responsibility not just of national and international Government but of local government. We are concerned about the way in which fixed penalty notices will work and we need to look at that in Committee. On Thursday, we will debate the report by the Select Committee on Environmental Audit on some issues covered by the Bill which, in general, we support. It needs to be improved, but it is definitely time to introduce it.

6.17 pm

Joan Ruddock (Lewisham, Deptford) (Lab): I very much welcome the Bill, not least because tackling environmental crime has been a constant theme of my time as a constituency Member.

The very first lobby that I received after becoming a Member of Parliament in 1987 was from tenants of the Silwood estate in Deptford, who came to see me because 10,000 tonnes of spoil and waste had been dumped on the fringes of their estate. I soon learned that environmental authorities had limited powers to deal with the problem. Although I castigated them for failing to do so, I knew that it would be difficult for them to achieve very much. I was warned early on of the personal danger that I would face if I tried to tackle the criminals who were dumping the waste. A year later, I won a place in the ballot for private Members' Bills, and introduced powers to register waste carriers and to stop illegal carriers and dumpers in the Control of Pollution (Amendment) Act 1989. Since then, those powers have passed to the Environment Agency, but it is often local authorities and vigilant constituents who identify the criminals, which is why local authorities such as Lewisham have campaigned for extended powers for local authorities to tackle fly-tipping. I am delighted that my right hon. Friend the Secretary of State and her colleagues have responded positively and introduced a raft of powers to do so in the Bill.

Other people's rubbish is a constant affront to most residents, and local authorities have a hard task dealing with the antisocial behaviour of a minority of residents and businesses. The courts may not regard leaving piles of rubbish in plastic bags on the landings of communal blocks as a serious matter, but such behaviour is soul-destroying for other residents. It is also hazardous, as bags leak, break, stain the walkways, create smells and physical hazards, and attract vermin. Lewisham council has secured two convictions for such offences and has 13 prosecutions pending. The council has been using existing legislation but very much welcomes the fixed penalty notices in the Bill, which will enable it to deal much more effectively with residents and businesses that leave their bins and rubbish in the wrong place. Likewise, the extension of responsibility for clearing illegally dumped waste to landowners as well as occupiers offers the prospect of clearing up those gardens with which we are all so familiar in private properties that are often vacant.

Local authorities need to tackle other sources that give rise to fly-tipping, such as local businesses that fail to produce waste transfer notices and arrangements. Using existing legislation, Lewisham council has secured 10 convictions over the past year, with more pending. But Nigel Tyrell, head of environment at Lewisham council, points out that for a large waste producer it could be cheaper to pay the proposed fixed penalty fine of £300 than to have a contract with a bona fide waste collection scheme. Local authorities will have to judge whether the existing legislation or the new fixed penalty fines are more appropriate in such instances to secure behavioural change.

The illegal commercial waste disposal operators continue to cause most damage. Recently, residents on the Honor Oak estate in my constituency reported frequent sightings of a lorry that pulled off the main road into their garage area, switched its lights off, deposited a load of rubbish and quickly drove away, its licence plate completely covered with mud. That is the kind of operator that local council officers want to get their hands on. I am delighted to see new powers in the Bill for the immediate searching, seizing and impounding of such offending vehicles. All too often in the past, such criminals have evaded justice, particularly when the driver was able to say that he was acting on his employer's instructions. The removal of that defence is significant. It was excavation work in docklands 20 years ago that began the massive fly-tipping of spoil

in Deptford. The much welcomed development of the Thames gateway now poses a similar problem for Lewisham. We will need all the new powers in the Bill to combat today's criminals.

Lewisham has a proud record of environmental activity and already includes the environment in its crime and disorder reduction partnership. Over the past nine months Lewisham has removed more than 5,000 items of graffiti within six days of their being reported, which amounts to 30,000 sq m of graffiti. It has held 15 graffiti-busting days with residents, councillors and local businesses, reduced the average time to remove fly-tips to 1.7 days, removed 538 untaxed vehicles and 1,165 abandoned vehicles, and—despite the fears of the Opposition that this is so difficult—successfully prosecuted 30 people for the abandonment of their vehicles and 83 people for fly-tipping and litter.

The new power to remove and crush hazardous vehicles will have a significant positive impact on our street scene, and new powers to deal with people repairing vehicles on the road will also be extremely welcome to residents who have to live alongside those nuisances, but although car repair shops are, thankfully, not on every street corner, litter and graffiti often are. It is a sad reflection on our society that the Government must legislate further to tackle those scourges and use yet more taxpayers' money to clear up after the minority of vandals.

I hope my right hon. Friend the Minister will see that the extension of litter offences is backed by a public information campaign aimed especially at young people. I hope, too, that residents will appreciate that council sweepers cannot return every five minutes to sweep up the litter of wrappers and fast food boxes constantly dropped outside newsagents and takeaways. Litter clearing notices and street litter control notices will, I know, be used to great effect locally. I am particularly pleased to see the power to restrict the distribution of fliers, handouts and pamphlets that can end up as litter. Recently, on a walkabout on the Crossfields estate in my constituency, I saw great bundles of fliers placed on the bottom step of the concrete staircases to the flats. In no time at all, such fliers are blowing all over the landscaped public areas of the estate and should definitely be banned.

Along with graffiti, fly-posting is probably the other offence that most ruins a local environment and creates an air of neglect, dirt and criminality. Lewisham council has half a dozen cases pending under current legislation, but that legislation, requiring the council to show that the beneficiary consented to the fly-posting, is highly deficient. The new powers should transform the council's ability to tackle this offence, which is particularly extensive in Lewisham.

The Bill is excellent. It tackles the many offences that ruin our local environment and cause such irritation and hardship to our constituents. As I have described, my borough is extremely active on a wide range of issues covered by the Bill and will undoubtedly do much more when it is given the new powers. It will also make excellent use of the revenue that it is able to retain from fixed penalty notices. All efforts to deter, detect and punish those involved in environmental offences are to be applauded, but we will never be able to do enough to keep our neighbourhoods clean unless we change attitudes and behaviour. I warmly welcome the Bill and hope that in due course it will be much used by our local councils, and that our constituents will join in the spirit of it as well.

6.26 pm

Derek Conway (Old Bexley and Sidcup) (Con): I am grateful for the opportunity to contribute briefly to the debate. I shall concentrate on the animal welfare aspects of the Bill, about which I questioned the Secretary of State during her opening remarks. Many colleagues in the House know me best for my partiality to cats, as I have been chief executive of the largest feline welfare charity in Britain. I am delighted to see the hon. Member for Broxtowe (Dr. Palmer) in his place. He is a distinguished supporter of cat protection. However, the subject of my remarks tonight is dogs.

As a result of my work with cats, I have frequently come into contact with the dog welfare charities in our country, particularly the larger ones, such as the Dogs Trust and the Kennel Club. Because of that contact, a number of them have raised with me their concerns about the content of the Bill. They are not against the Bill and they are not cynical about it, but they have concerns, which they have also expressed to my hon. Friend the Member for Southend, West (Mr. Amess), who is a remarkable champion of animal welfare. I am delighted that he is present, and I hope that he will catch Mr. Deputy Speaker's eye to raise our concerns.

The Minister kindly wrote to us during the parliamentary recess. His letters during a recess are always welcome and make relaxing reading. On page 2 of his letter he extolled the fact that the Bill would bring in a "simplified system" for dealing with stray animals. The Bill repeals section 3 of the Dogs Act 1906, which gives the police power to seize stray dogs in public places. The Bill also amends section 150 of the Environmental Protection Act 1990, which gives the opportunity for dogs to be taken to police stations when they are found. The responsibility will pass from the police—not that they were dealing with it exclusively—to local authorities. That may well work, but a number of us have reasonable doubts. I hope that my hon. Friend the Member for Vale of York (Miss McIntosh), who will represent the Opposition in Committee, will press the Government in detail. I wish I could be there to support her, but as I shall be chairing the Committee considering the Identity Cards Bill next door, I shall have to wait for the breaks to find out what progress she is making.

The council dog warden scheme is remarkable. There are many dedicated men and women out there in the most dreadful conditions and weather, in poky little vans, doing a great deal to round up stray dogs and find their owners or, if they cannot, have the dogs taken into care. The dog wardens, who are represented on a number of animal welfare charity forums, do a splendid job for pretty poor pay and in dreadful working conditions. They do that job pretty well 9 to 5, Monday to Friday. There are exceptions, but not many.

Out-of-hours cover is necessarily provided by the police. Although the Government will doubtless elucidate this in Committee, I can find no reference in the Bill to what will happen after 5 pm or before 9 am and on Saturdays and Sundays, when council dog wardens are not available. No doubt the Minister will also tell us the cost involved, but that too is not really dealt with in the Bill.

[Derek Conway]

Where will a wandering dog be taken? If a dog is worrying children in a park, who will come? Most people would think of calling the police, for not enough dog wardens are floating around local authority areas for them to be on patrol as often as the police should be. In many of our constituencies, there is likely to be confusion over who is responsible for controlling stray dogs that worry children in public play areas.

In an excellent briefing, which I hope will be given to those appointed to the Committee—if not, I shall ensure that they receive it—the Kennel Club poses a number of very good questions about that, and about the cost issue. A 1998 independent study estimated the council cost at some £15 million, but the O'Dowd report on police costs suggested £1.8 million. I am no mathematician, but even I can work out that there is a bit of a gap between £1.8 million and £15 million. Clearly it is difficult to put a figure on this, but it is incumbent on the Government to do so if they expect the House to change arrangements that have been in force for so many decades. I hope that the programme motion will give the Committee an opportunity to consider the issue in some detail.

It is not clear whether, once the police arrangements have gone, enforcement of care for strays will become a local authority responsibility 24 hours a day, seven days a week. There is no such requirement in the Bill. I hope the Minister will tell us whether he will issue guidance to councils, and what enforcement will be possible if councils have neither the money nor the will to carry it out themselves.

Animal welfare charities do a phenomenal job in caring for stray dogs. Obviously everyone knows about the RSPCA: I do not think we need blow its trumpet too much. Dogs Trust is undoubtedly a leader in the field, but excellent work is done by the Blue Cross, by a wonderful organisation called Wood Green Animal Shelters, and of course by the Kennel Club, which is the oldest such charity. They have come together in a forum called the Pet Advisory Committee, in which local authority dog wardens are also represented. I hope that, on Report if not in Committee, the Minister will assure us that he and other representatives of his Department have met members of those welfare charities—as well as the Pet Advisory Committee and dog wardens—to establish that the proposals in the Bill will work.

This is a big problem. Dogs Trust, known to many as the National Canine Defence League, helps more than 12,000 dogs each year in its 15 centres. That is an awful lot of stray dogs. It also spends £2 million a year on neutering dogs whose owners receive state benefits. More bodies than just local authorities are trying to cope with the problem of unwanted dogs, and Dogs Trust in particular helps council dog wardens. The fact remains, however, that there are more than 5 million dogs in this country—although the 8 million cats are clearly in the lead—of which about 105,000 stray. That is of course a natural instinct; they are not yobboes, and should not be subject to antisocial behaviour orders. They foul pavements, which is also natural. In some respects they even emulate the House of Commons: they make a noise, which for many of us is a natural function. The general public, however, understandably want to see some control, especially those who do not like dogs.

I appreciate that the Minister is trying to do something about those problems, but I am sure he will bear it in mind that dogs, in particular, provide an enormous amount of companionship for many of our constituents. They give huge enjoyment, especially to children, and I think they genuinely improve the human lot. When society seeks to control this wonderful species, as it seeks to do in the Bill, we have a duty of care. I have known the Minister for 20-odd years and I believe his intentions are good, but I regret to say that I do not think he has addressed that duty of care in the Bill. As it stands the Bill is simply a shrug, which is not good enough. I hope that he will deal with the issues I have raised—if not tonight, in Committee and on Report.

6.35 pm

Mr. Michael Foster (Worcester) (Lab): I can assure the hon. Member for Old Bexley and Sidcup (Derek Conway), on the basis of dealings I have had with my right hon. Friend the Minister on animal welfare issues, that my right hon. Friend will be assiduous in considering the animal welfare implications of the Bill—as he has been in the case of other Bills that have come his way.

I welcome the key provisions of the Bill, which are intended to drive up local environmental quality. The Bill will also play an important part in tackling antisocial behaviour in places such as my constituency. I want to focus on the aspects that will benefit constituents who have raised problems with me over many years.

Gating orders are an urban issue. Planners seem to have designed short cuts and public access routes to facilitate easy escape from the police rather than easy access to local facilities. An example is the alley backing on to the Fairway in Worcester, which links Otley close to Tolladine road. The pathway is unlit and contains two 90-degree turns, so people cannot see from one end to the other. Certain individuals have used that footpath to push over brick walls, damage fences and urinate into people's gardens. That is unacceptable behaviour, and gating orders might enable us to end such problems.

I am, however, acutely aware of the potential conflict—raised by my hon. Friend the Member for Sherwood (Paddy Tipping)—between those who suffer from antisocial behaviour, who are victims of crime, and law-abiding people who just want to go from their homes to local facilities. I would like to know how the Minister expects local authorities and crime reduction partnerships to deal with that conflict. Who, ultimately, will have priority—victims of antisocial behaviour, or those who argue on libertarian grounds that they should have the right to use a footpath? If time limits are imposed, allowing gates to be closed in the evenings or whenever it gets dark, who will be responsible for the prompt closing and opening of the gates?

Gating could perhaps be used as a way of tackling antisocial behaviour on the part of older youths abusing children's play areas. There is a play area in Barley crescent and Tolladine road, and another in Great Oaty gardens, Warndon Villages. They are designed for

children of five, six and seven, but tend to be occupied late in the evening by teenagers and older young people. Those whose homes back on to the play areas are subjected to the throwing of bottles into their gardens, and to fireworks and noise. Playgrounds are set on fire, and unwanted waste is generated. The play areas also attract individuals who seek to capitalise on the presence of groups of young people who may be particularly vulnerable to the selling of drugs and other illegal substances. The detached youth team in Worcester has worked hard, but the local council has failed it in not recognising the problem and in taking so long to establish a strategy.

I think that we would all accept that the antisocial behaviour and crime that abandoned cars tend to attract and promote are a real problem. A notice placed on a windscreen is like a green light for vandals, who think, "No one cares. Let us have some fun and damage that car." I welcome the fact that we will have speedier action on such behaviour.

In Worcester city last year, 414 abandoned cars were dealt with by the local council, so the issue affects areas that are perceived to be nice and middle-class and middle England, as well as more challenging areas. Therefore, I was dismayed to read a month or so ago that the local Conservative ruling group on the city council decided that dealing with abandoned vehicles was not a priority area for action. The Conservatives are trying to put over a party political argument in their motion, but it is one that my constituents will fail to understand.

Nuisance parking is not a recent phenomenon but it is a growing problem. For example, it is dangerous to sell cars on busy highways such as the London road going in and out of Worcester, and cars parked on the grass verges of streets such as Windermere drive are an eyesore. They reduce and devalue the amenities of the land in that area.

Litter cleaning notices will be a much welcomed, more flexible approach. We can start to enforce more responsible behaviour, so that wider communities are not disadvantaged by irresponsible individuals. I have walked Teme road and Avon road with the chief executive of the city council. Those areas are a disgrace and certain individuals are letting down the neighbourhood. Although one-off measures such as bulk waste or refuse collection are used to make an immediate clear-up, within a few months the area goes back to its normal state because there is no regular enforcement.

That is why I welcome the fixed penalty notice scheme and the different treatments that the council can apply. If the litter and waste are seen to be detrimental to the amenity of the locality, the local authority can take action, rather than having to wait to see whether an environmental health hazard is posed by all that litter and waste. The work of good local councillors such as Geoff Williams and Roger Berry in those areas can be supported by the Bill.

On graffiti, Worcester city has had the benefit for a number of years of a local benefactor, Mr. Cecil Duckworth and the services of his Duckworth Trust in helping to clean up the city and to rid it of graffiti. He is particularly keen to see graffiti dealt with and the problems caused by chewing gum highlighted because those are the two main problems that his group of workers has been working on. He was surprised, as I was, at Liberal Democrat opposition to provisions in the Anti-social Behaviour Act 2003 to restrict the sale of spray paints to those aged under 16. It is rewarding to see the Liberal Democrats' conversion on that matter, which I believe is what we heard this evening. I welcome the pressure that will be put on local authorities to ensure that the Anti-social Behaviour Act provisions on spray paint sales are enforced.

On the issue of future changes to local government structure, the Minister needs to be aware of changes that will increasingly need to be made to introduce more local community involvement. In Worcester, we have a two-tier local government structure, which has become increasingly outdated and needs to be changed, but the move to a unitary authority would create a larger local authority body responsible for the enforcement of many of the matters that are raised in the Bill. Therefore, I ask the Minister to consider, as the Bill makes progress, how powers can be delegated to the equivalent of parish and town councils in urban areas or to local area forums.

In summary, I welcome the measures, which are long overdue. I believe that they will help local government to reconnect with local communities, so that my constituents no longer hear the excuse that legislation does not allow local government officers to deal with the problems that they see day in, day out.

6.44 pm

Mr. David Amess (Southend, West) (Con): I assume that all Members of Parliament wish to live in a clean environment and a pleasant neighbourhood. If they do not, they are not representing their constituents because that is what each and every one of our constituents wants. The question is, and I have listened to the criticism of the Conservative party opposing the Bill: will this Bill achieve that which our constituents want?

I received a letter today from a constituent who posed that question. He says:

"Leigh on Sea is a wonderful Town populated by decent people, it has an excellent sense of community and feels safe to all, that is until it gets dark.

In recent months gangs of youths can be heard shouting screaming up and down the Leigh Road, often marauding down the quiet residential streets causing minor damage and being a general nuisance. On many occasions youths can be seen walking along swigging from large bottles of cider or cans of beer.

I feel the biggest problem however is the graffiti, they seem to go on the rampage about twice a week scrawling over shop fronts and anything else that takes their fancy, as I said this seems to be getting worse on a weekly basis. The problems this causes can be easily realised, the primary inconvenience must be constant expenditure redecorating the defaced areas.

I am sure that the shop keepers must inform the Police, however I also believe that there is a Public mentality that 'there's no point complaining as nothing gets done anyway' or that 'the Police are powerless against these pests'".

I am delighted that the Government acknowledge that the problems of nuisance parking, abandoned vehicles, littering, graffiti, fly-posting, dogs behaving badly, audible intruder alarms, noise, abandoned shopping trolleys, insect infestation and artificial lighting nuisance have all got worse since the

[Mr. David Amess]

Government came to power in 1997. However, this Bill does nothing whatever about the underlying issues that cause all these problems.

Mr. Challen: Given what the hon. Gentleman has just said, why is it that there are so few Conservative Back Benchers here today? Is it conceivable that they have stayed away because they do not want to be associated with the blunder of their Front-Bench team in opposing the Bill?

Mr. Amess: I doubt that very much. I think that Her Majesty's loyal Opposition are increasingly disgusted by the way in which Parliament is treated by the Government.

There were a couple of major news articles in the national newspapers commenting on the Bill. One said:

"Only yesterday, there were two more additions to the depressingly long list of ways in which we must now expect to be policed or regulated. An army of busybodies is to be employed to issue fines to people who drop litter. And, even more ingeniously, people who cause unnecessary 'light pollution' are now also to be fined.

The public reaction to this will be one of deep distaste. Most of us know how we should behave if our lives are to be remotely enjoyable. We also know that government has, or should have, better things to do than pass laws that only aggrieve the respectable majority."

Another article from a national newspaper said:

"We have been forced into a kind of police state, in which regulation after regulation is imposed to ensure we act in a way of which the Government approves."

On the specific point of fixed penalty notices, I was attracted by the Law Society brief which express reservations about the further expansion of the use of fixed penalty notices. In Essex, for example, we have a record amount of revenue from fines imposed as a result of speed cameras. The Law Society feels:

"It is essential that only properly trained officials are allowed to issue Notices."

It also says:

"If the majority of Notices are issued against the more deprived members of society, their financial situation will only be made worse.

The level of a Fixed Penalty Notice does not take into account the means of the recipient and could therefore have a disproportionate effect on someone reliant on benefits. The Government must weigh the risk of further social exclusion with its commitment to tackling the 'causes of crime'."

Like my hon. Friend the Member for Old Bexley and Sidcup (Derek Conway), I think that we are entirely right to take this opportunity to speak on behalf of dogs. I fully support the work of Dogs Trust, undertaken under the leadership of its chief executive, Clarissa Baldwin. I faithfully enter my black Labrador, Michael, every year in the Westminster dog of the year show, and I am not yet embittered by his failure to win on seven occasions. However, I do hope that, in summing up, the Minister will address the points that Dogs Trust has brought to my attention.

Part 6 deals with dogs, chapter 1 deals with dog control orders, and chapter 2 deals with stray dogs. Like Dogs Trust, I have no objection to the principles behind the Bill, but I have considerable misgivings about the implementation of chapter 2. As my hon. Friend the Member for Old Bexley and Sidcup said and as Dogs Trust points out,

"Current legislation lays responsibility for dealing with stray dogs jointly between the police and local authority. The Environmental Protection Act lays a duty on local authorities to appoint a person to deal with stray dogs, hold them for a period of seven days and then to dispose of them, usually to a re-homing organisation such as Dogs Trust. This person is usually called the Dog Warden or Animal Welfare Officer.

In practice in most local authority areas the Dog Warden service is active during normal . . . working hours. Dogs found straying during these hours are collected and dealt with by the Dog Warden and, in general, there is a reasonable level of service.

However at night and at weekends when the Dog Warden service is not available the police have a duty to accept stray dogs. Usually the Dog Warden collects such dogs when they come back on duty and become responsible for their care. Because most dogs stray by accident and most are exercised in the evenings and at weekends it seems likely to Dogs Trust that a significant proportion of stray dogs will stray during the same period. This supposition is borne out by anecdotal evidence."

I very much agree with Dogs Trust that

"local authorities must provide 24 hour cover for the Dog Warden service."

I am also attracted to what the Kennel Club has to say on this issue and I fully support its endeavours, under the leadership of its chief executive, Mrs. Rosemary Smart. It has drawn my attention to clause 68, which deals with responsibility for receiving stray dogs, the costs in respect of which my hon. Friend the Member for Old Bexley and Sidcup has already referred to. The Kennel Club

"would like to see an obligation placed on local authorities to provide an around-the-clock service for stray dogs".

Clauses 55 to 58 deal with streamlining the dog control byelaw system. I hope that DEFRA Ministers will carry out proper consultation before drafting model offences and establishing the process that local authorities should undertake in making dog control orders, and that they will establish that interested parties should be consulted. Clauses 59 to 62 deal with fixed penalty notices, and I hope that the Minister will consider getting DEFRA to set a national figure for fines for breaches of dog control orders.

Since 1997, the House has introduced a huge amount of legislation, much of which is never enforced. This Bill is all about electioneering. More duties are being placed on local authorities, without proper funding. Yet more legislation will be placed on the statute book that will not be enforced, and it will not produce what my constituents want, which is a cleaner neighbourhood and a better environment in which to live.

6.54 pm

Mr. Patrick Hall (Bedford) (Lab): I want to discuss the deeply antisocial act of abandoning vehicles, and initially to draw on the experience of a constituent of mine, Mr. Chris Meadows, who is co-director of a company that manages an apartment building in Bedford. Over the years, the company has paid hundreds of pounds to have abandoned cars removed from its car park. In order to identify the owner, it writes to the Driver and Vehicle Licensing Agency giving a description of the vehicle and its registration number and requesting the name and address of the registered keeper, for which a fee of £2.50 is payable. On receiving

the information, the company writes to the keeper, who invariably does not reply. It then instructs a private contractor to remove the vehicle, the cost of which is £30.

Bedford borough council will take instructions from private property owners to remove such a vehicle, but the fee is £88.13. The council sends an officer to inspect the site and, depending on the state of the vehicle, a decision is taken whether to remove it within 24 hours or seven days. The appropriate notice is stuck to the vehicle, which in itself can attract acts of vandalism, thereby rendering it a greater hazard than it was originally. If a seven-day notice is attached, removal takes place a little later than that and the vehicle is stored for some 10 days, or possibly for a lot longer if it is still taxed. If no one claims it at the end of the relevant period, the council sells it to a breaker for disposal. The whole process can take a few weeks. The costs are borne by the landowner and, as I have suggested, they are much too high, as my constituent has discovered.

In cases where a vehicle is abandoned on private land—perhaps in a prominent location—and is likely to become a hazard, and where the owner is not known or is not prepared to co-operate, councils have to place a 15-day notice on it. In those circumstances, cost recovery can prove very difficult indeed, which explains the reluctance of some councils to act in such cases. But where a council does act, it is the council tax payer who invariably foots the bill.

The Bill, combined with other legislative changes that I shall refer to later, will assist in improving the way in which abandoned cars are dealt with. The key is the speed and scope of action. Instead of waiting seven or 15 days, councils will henceforth be able to remove a vehicle immediately, which in practice will mean within 24 hours. Of course, councils can so act now, but only in respect of vehicles that are found to be in a dangerous or wrecked state.

It was pointed out earlier that because the Bill establishes a discretionary power rather than a duty, it need not be acted on. However, it is pretty certain that it will create a general expectation among the public—and, I hope, among councils—that the common practice will be the removal of such vehicles within 24 hours: removal not only from the public highway and public land, but from private land, unless, of course, the landowner has given permission for the vehicle to be there.

According to clause 11, private land includes a road "within the meaning of the Road Traffic Regulation Act 1984", which means any road to which the public has access. Crucially, that includes roads owned by housing associations and registered social landlords, for example, but what about other land owned by RSLs to which the public has access? If car parks, play areas and greens are not included, in practice the Bill's scope will be severely limited. I am sure that the Government intend that such areas be included, but the wording of clause 11 is far from clear in that regard. I look for reassurance on this point—perhaps right now.

Alun Michael: Perhaps I can offer my hon. Friend that assurance. I agree that it is important for people to understand where legislation applies, and it is frequently the case that people get confused and wonder which areas are intended to be covered. I will be happy to give further chapter and verse about that when we debate the issue in Committee. I certainly underline the importance of the point that my hon. Friend is raising.

Mr. Hall: I am grateful to my right hon. Friend for that helpful intervention. I also look for assurance that the Bill will deal with the issue of deliberate abandonment, about which I believe the courts have set some tests. That will be essential if the welcome idea of serving a fixed penalty notice on a known perpetrator for abandoning a vehicle is to become an effective deterrent.

Finally, I want to stress the efficacy of keeping accurate records of car ownership—or, more precisely, of the registered keeper of vehicles. The Finance Act 2002 amended the Vehicle Excise and Registration Act 1994, and from January 2004 brought in continuous registration, which involves a monthly computer check of vehicle licensing by the DVLA. It has the ability to fine people up to £80 for not renewing or declaring a statutory off-road notice.

I know that my constituent, Mr. Meadows, hoped that this change in the law would require the registered keeper to be responsible for the costs associated with the vehicle in addition to the licence fee. I understand that, technically, it does not do that, but since the change was enacted, the DVLA generated an additional 4 million vehicle licensing, registration and SORN transactions in the first nine months of last year in comparison with the first nine months of the previous year—a considerable increase in business. More people are coming within the system and more accurate records mean that more people are traceable when it comes to parking fines or towing-away costs for abandoned vehicles.

It has to be acknowledged, however, that it will still be difficult to tackle people who deliberately operate outside the system—those who give false names and addresses and who frequently change address. They are the very people who disproportionately cause problems to everyone else through criminal and antisocial behaviour involving vehicles—not paying the road tax, for example, not registering ownership or not insuring vehicles, never mind abandoning them when they are no longer needed.

The reforms proposed in the Bill and the benefits of continuous registration will put the squeeze—if I may use that expression—on abandoned cars, but will not remove the need for more and more effective on-road enforcement. Thus, savings that should follow from speeding up the process may well need to be absorbed elsewhere. As to people who operate outside society and rely on false identity, we will not have the means to make life more difficult for them unless and until we introduce something that is not mentioned in the Bill—a system of identity cards.

In conclusion, I welcome the Bill, and especially its provisions to deal with abandoned cars. It proposes constructive steps, as I see it, without pretending to offer a total solution. It is part of a process. In my view, that process is in tune with my constituents' aspirations to tackle antisocial behaviour and improve the quality of the public realm.

7.4 pm

Mr. Neil Turner (Wigan) (Lab): I was rather perplexed when I saw that the Opposition were going to vote against the Bill. It seems to me that the problems that the Bill deals with are equally likely to occur in the northern parts of the rural area of my constituency as they are in the urban areas, and I would have thought that that was the same throughout the country.

Equally perplexing is the reference in the Opposition motion to the Bill bringing

"local authorities into conflict with police and other authorities which currently exercise powers in relation to abandoned vehicles and stray dogs".

One of the main points of the Bill is to give local authorities the ability to construct an overarching strategy to tackle many of those issues. The fact that powers are currently spread across different authorities and agencies is what brings the conflict into being at the moment, but the Bill is designed to tackle rather than exacerbate the difficulties to which the Opposition allude. I was also pleased to see that the quality of the local environment can be taken into account in crime reduction partnerships. It is important for them to have that ability.

I want to discuss part 6, which deals with dogs. Neither of the two Opposition Members who spoke about them is in his place at present, but I am sure that I am not alone among Government Members in having received many complaints about the packs of stray dogs that roam about the estates within our constituencies. They can cause huge problems for our constituents and they are difficult to deal with. The police attach low priority to that problem for understandable reasons: it is not one of their major concerns and looking after packs of dogs is not high among their priorities. Passing responsibility over to local authorities, which are generally more responsive to local needs, is a better way of tackling the problem.

I am not wholly clear about the changes proposed for dealing with dog fouling—another common problem in our constituencies. It appears from a cursory reading of the Bill that the fines can be levied only in places where a dog control area has been established. That seems a retrograde step—I hope that the Minister will be able to give some assurance, either in his summing up or in Committee, that that is not the case. I hope to hear that fines for dog fouling on pavements can be levied throughout our constituencies.

Moving on to fixed penalty notices, it is important that they are applied within the scale of fines that courts can levy for similar offences. Not doing so would undermine the belief that there is justice in the system. Once people feel that something is unjust, it undermines public confidence in the system. It is immensely important that people are supportive of the Bill. It is equally important that fixed penalty notices are viewed as an effective deterrent. I generally welcome the idea of allowing local authorities to vary the level of fines, which shows their responsibility and responsiveness to their communities. However, I am not fully convinced that local accountability in this particular case is more significant than the deterrent value of having a clear national tariff. It is another matter that I hope to explore with the Minister in Committee.

Similarly, I am unclear about the hypothecation of fines to local authorities and hope to discuss that further in Committee. I understand that it will provide an important new source of funding and enable local authorities to carry out their duties and responsibilities specified in the Bill. However, I hope that hypothecation will not mean tying down authorities too much, forcing them to use the funds gained from the fines to deliver goals specifically defined in the Bill. I want them to be able to use those funds for other purposes if they so wish. That is the thrust behind the present good idea of allowing good and excellent councils more discretion. I hope that we will continue to allow that to happen. As I understand it, the comprehensive performance assessment includes measures of environmental quality, so good and excellent councils will be in danger of losing their status if they do not achieve in that respect. I feel that that already provides sufficient incentive for councils to act in ways to promote the environment and that the proposals on hypothecation are therefore unnecessary.

The hon. Member for Mole Valley (Sir Paul Beresford) mentioned clause 47, which gives powers to local authorities to run their own waste disposal authorities. As a former chair of an effective waste disposal organisation that was dismembered, on purely dogmatic grounds, by the previous Conservative Government, I welcome the proposal and hope that some local authorities are able to do that. I fear that it might be too late and that the huge costs involved will prevent it, but at least the proposal removes the pure dogma that existed previously.

The Bill will do much to improve people's attitudes to the environment. Statutes can do this, as we have seen in road traffic, where the wearing of seat belts and crash helmets and the use of breathalysers have made people more aware of road safety. That will be the case with the Bill. It is also important that we continue to educate and raise awareness through the work done by the Wigan-based ENCAMS authority, which enthusiastically supports the Bill, despite the fact that my hon. Friend the Member for Sherwood (Paddy Tipping) did not include it in his list of organisations. ENCAMS works closely with schools and community organisations to raise awareness of problems such as litter.

The Bill will improve the environment in urban and rural areas and in communities throughout the country and it fully deserves our support. I shall be happy to vote for it tonight and will support it in Committee if chosen to be a member.

7.12 pm

Hugh Bayley (City of York) (Lab): Some of the hardest problems brought to me by constituents at surgeries concern antisocial behaviour and bad neighbours. These problems—noise, litter, abandoned vehicles, graffiti and vandalism—are associated with urban areas but, as many hon. Friends have pointed out, they are not exclusively urban problems. It is a surprise that so few Opposition Members representing rural communities have attended the debate.

When these problems take hold, they can change the character of a neighbourhood quickly. When there is litter in the gutter, people begin to think that it is acceptable to chuck litter in the gutter. The same goes for dog fouling, or when people park inconsiderately on the pavement or grass verge, chewing up the grass in front of people's houses. If there is not prompt action to

deal with that, and if the community does not see that the inconsiderate driver pays a penalty for his actions, these problems will mushroom.

Conversely, when prompt action is taken, and when that action is taken together with enforceable and enforced penalties applied to transgressors, it helps to instil a sense of community pride and people become less willing to transgress the rules that are clearly established in their neighbourhood. Prompt action helps.

Fortunately, the Bill has received a good measure of support in local government from all political parties, which makes it all the more surprising that the official Opposition plan to vote against it. I have looked closely at the representations made to the Government by City of York council, my Liberal Democrat-controlled local authority. The council welcomed many of the measures—a welcome that was reiterated by the hon. Member for Guildford (Sue Doughty), who speaks for the Liberal Democrats.

The council welcomed the proposal to include environmental crime as a specific issue for local crime reduction partnerships. The council supports the decision to extend the litter offence to all types of land, including aquatic environments; that is, to the River Ouse and the River Foss. In York, the river is an important part of the landscape and townscape, an important recreational amenity and a source of drinking water.

The council welcomed the extension of cleansing notice powers to include graffiti and fly-posting in areas outside London and welcomed the proposal for fixed penalty notices for people who put out their refuse on the wrong day. We all know the problems that that can cause when cats, rodents or other animals get into the plastic bags and scatter the refuse around. I could go on but I would rather make progress. I thank City of York council for its support for this timely Bill.

I particularly welcome the measures that the Government are taking to tackle noise from private parties, licensed premises and malfunctioning burglar alarms, and their decision to take on the problem of light pollution, which has attracted people's attention more recently. That is seen as a particular problem in the countryside but it can be a problem in urban areas in public parks or open spaces or with light from industrial estates.

City of York council said that, because this was a new area, some guidance would be needed from the Department, perhaps in the form of a code of practice suggesting how local authorities should respond and what levels of light pollution would require enforcement action.

The council said that free literature distributed by retailers, pubs and clubs often results in litter and that that is a city-centre problem in York at all times of the day and night. The council welcomes the proposals to require consent to be obtained from a local authority by the people distributing such literature, but it makes the point that that in itself will not solve the problem because it is not the companies who produce the literature who drop it on the pavement—it is people. The enforcement powers, including the fixed penalty notices for dropping litter, are important, too.

Last but not least, I should like to say a word or two about chewing gum. I particularly welcome the proposal in clause 27 to amend the Environmental Protection Act 1990 to define cigarette butts and chewing gum as litter. When I raised the issue at Prime Minister's questions on 8 December, it provoked some chuckles of amusement from the chattering classes, who are no more present than the Opposition this evening. The BBC in particular thought that it was a peculiar issue to raise at Prime Minister's questions.

Some of us see the masses of e-mails that we get as a form of litter in itself, but I have to say that I received very strong support for what I said about chewing gum from many members of the public by letter and e-mail. One e-mail, from Mrs. Inge Knight, said:

> "Thank you for raising the question of chewing gum litter . . . If our council tax bill highlighted the cost maybe the amusement would fade somewhat and your excellent suggestion would be taken up. As you so rightly pointed out, the problem is easily solved, and the manufacturers could make themselves popular overnight, if they had the wit to provide easy disposal within the packaging. Maybe you should contact the Patent Office yourself, Mr. Bayley!"

I can assure her and the House that I will not do so because I do not want to stop the sensible suggestion that chewing gum be marketed in packaging that allows people to pop it somewhere in the back of the packet so that it is not dropped on the ground.

After I said what I did at Prime Minister's Questions, the Biscuit, Cake, Chocolate and Confectionary Association, which represents manufacturers, wrote to tell me that it works closely with the Department for Environment, Food and Rural Affairs, the Local Government Association, the Institute of Waste Management, the Department for Education and Skills and others to find ways to tackle the problem. In particular, it proposes a campaign later this year, paid for by the manufacturers, to try to persuade people not to drop gum on the ground and I welcome that.

The manufacturers association asserts that gum litter is caused by the irresponsible behaviour of a minority of chewers. I do not know whether that is true, but if it is, that minority does an awful lot of damage. The LGA estimates that local authorities in England spent £150 million last year on removing chewing gum from our streets. The average clean-up cost in a town centre is about £20,000. The hon. Member for Guildford mentioned that Westminster city council spent £90,000 last year cleaning Oxford street. That took seven weeks, but within 10 days the problem had returned. The council estimates—I wonder which council official was sent out to count them—that there are 300,000 pieces of gum on Oxford street.

I support the polluter pays principle and welcome the Government's proposal of fixed penalty notices for people who drop litter, including chewing gum. I am glad that local authorities will retain the fixed penalty revenue, but I do not think that that will raise the £150 million that it costs to remove the gum. The producers must do more. I am not the sort of person who leaps at the suggestion of putting a tax on producers—there is no guarantee that the tax income would get into the hands of the people who do the clearing up—but I do think that the producers need to do something about their packaging, and I ask the Minister to confirm that the joint chewing gum action group involving the Government and the manufacturers will address the issue.

7.22 pm

Ms Joan Walley (Stoke-on-Trent, North) (Lab): The fact that so many Labour Members are taking part in the debate shows how much people care right across the country about the need to tackle pollution, fly-tipping and littering in our neighbourhoods. I welcome the debate, but I wish we were having a proper one, not looking across the Chamber at empty Benches. In my constituency, these matters are just about at the top of the list of what people have to deal with and I welcome the fact that Ministers are bringing real proposals before Parliament. I admit that some areas of the Bill perhaps need more attention to detail, and that can be considered in Committee, but I am pleased that the Government are tackling the issues, sending out a clear message that dealing with litter and graffiti and making our neighbourhoods clean really matter.

We have heard a lot of references to the report of the Select Committee on Environmental Audit, which will be further debated on Thursday. The way in which the Committee has taken evidence and helped to maintain pressure for doing something about problems in neighbourhoods and communities all over the country shows that the issue is one that we really have to tackle.

When the issues from the debate are looked at in detail, I hope that DEFRA Ministers will be able to use the expertise of the officers of the Chartered Institute of Environmental Health to see what needs to be ironed out in Committee. I speak as a vice-president of the institute, which has huge expertise.

I am pleased that so many different organisations and associations that have been consulted have played a part in shaping the Bill. The fact is that many people support it, from the Local Government Association, ENCAMS and other environmental groups and organisations to working parties set up by, for example, the police. The fact that we have legislation that will remove responsibility for stray dogs from the police to local authorities shows that day-to-day, detailed work done by many people has been acknowledged. I am pleased that the chief constable of Staffordshire, John Giffard, took part in that working party and that there has been progress into legislation.

When I speak to my constituents, I learn that whether they feel good about the place where they live, ensure that it is kept clean and have a sense of pride and belonging to a neighbourhood and community is linked to how we deliver on our policies. The public realm should be spick and span and we must have a way of making sure that local authorities implement the new powers the Bill will give them. I hope that the Minister will respond on the points about the money needed for that. I take the point that money will come in from fixed penalty notices to help with the financing of the Bill's implementation, but it will be important to have some pilot projects through the Environment Agency to show how we can make even more progress and to roll out best practice. It will come as no surprise to the Minister to hear that, when he comes to consider possible areas with the Environment Agency, it will be possible that Stoke-on-Trent will be one of the beneficiaries. The Environment Agency has something like £5 million, and we must consider options for achieving a joined-up approach that goes across the areas of responsibility of the police and magistrates courts while also engaging local people and getting everyone signed up to implementing the new powers.

The Environmental Audit Committee has set up a sub-committee on education and sustainable development. In all my years in Parliament looking at legislation, I have learned that we can legislate until the cows come home, but if we do not carry people with us and help to educate people in the wider sense, we will fail to have the legislation implemented on the ground. I hope that the Department will come back to us on how we can embed environmental education and achieve some environmental literacy about what changes of attitude will mean if we get citizens signed up to a new agenda. How can that be done in the wider education agenda? I hope that the Government will consider that question in some detail.

Earlier, I flagged up the issue of gating. In many areas, there are problems with alleys and keeping refuse out of them. People put refuse out the day after the bin men have been, for example. I welcome what the Bill does in dealing with such antisocial behaviour. Clause 2 says that highways agencies and local authorities are responsible for those alleyways, but I am concerned that Stoke-on-Trent has something like 21 km of unadopted alleyways, which are back entries to terraced homes. It seems absurd in the 21st century to have alleyways that are effectively gutters for nine months out of 12, with mud and water running down them, no proper drainage and no proper lighting. If someone puts in a new carpet through the back door, it begins instantly to be destroyed because of that. I urge the Government to see whether, in the Bill or in a wider joined-up approach, they could find ways, through neighbourhood renewal or through funding from the Office of the Deputy Prime Minister, to speed up the way in which we adopt alleyways. Whatever powers are introduced in relation to providing a clean and green environment and neighbourhood, if we cannot deal with unadopted back alleyways, we will not achieve the goal of clean and green neighbourhoods where people feel proud to live. I urge the Government to consider that issue, as well as the cost of drainage and lighting, and the ongoing revenue costs. Certainly, across Stoke-on-Trent, at least 10 km urgently need to be adopted. I hope that the housing renewal programme can also help with that.

At the start of this debate, we heard a lot about whether this is a Bill for urban or rural areas. My view is that waste and antisocial behaviour has no boundaries—it stretches across rural and urban areas. From the discussions that I have had with parish councils in Bagnall, Brown Edge, Endon and Stanley, I feel sure that they will welcome the powers that they will have, as a result of this legislation, to deal with such issues.

In an initiative earlier this year, the Driver and Vehicle Licensing Agency came to help us deal with abandoned cars, which was a huge success. Anything that the Government do through this Bill to deal with abandoned vehicles much more quickly, to stop problems such as youths leaving them abandoned on nature reserves and people being injured, is welcome, as they are a blight on our neighbourhoods.

I sincerely hope that the Bill will have a swift passage, with an opportunity to discuss some detail in Committee. I hope that a strong message will go out

across the country that Labour Members really care about this Bill and envisage it making a real improvement to the lives of people the length and breadth of the country.

7.31 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): I am grateful to have the opportunity to speak in this debate, as I am one of the many Labour Members who have been working hard to get these issues to the top of the agenda. Many of my hon. Friends have spent the past few years using every parliamentary device available, whether private Members' Bills, ten-minute Bills or early-day motions, to promote these issues, because they are of concern to their constituents. I am grateful that the Government have been brave enough to take on these issues, for which many would ridicule us. This is an example of MPs devoting time and attention to reaching out to their constituents knowing long before the policy wonks and editorial writers that the issue was important to people. I am delighted that over the past few years we have been able to introduce more and better measures in the fight against graffiti, abandoned cars, fly-tipping and so on. The Bill is a further move in the right direction.

In a survey that I carried out not long ago of the views of hundreds of my constituents, I discovered that the principal worries of people in Mitcham, Morden and Colliers Wood were crime and environmental quality-of-life issues such as graffiti, abandoned cars and fly-tipping. Those were the top priorities of nearly two thirds of my constituents. On almost every question, respondents supported the toughest measures, including imposing fixed penalty notices for environmental crimes such as graffiti, vandalism and litter, even on children—not for them the squeamishness of the Tories that we have seen today. Support for new powers was above 90 per cent. on almost every measure. That is how strongly people feel about them.

Every time we attempt to crack down on chewing gum, however, as my hon. Friend the Member for City of York (Hugh Bayley) suggests, we are laughed at by some high-minded commentator. We heard some examples of that from the hon. Member for Southend, West (Mr. Amess). We know that they are wrong, however, because unlike some we suffer from the same problems that our constituents experience. Because of the work carried out by MPs in giving that information to Ministers, we have seen: action against graffiti and a ban on the sale of spray paints to children; councils getting powers to remove graffiti from street furniture owned by the utilities; continuous registration of vehicles, which has reduced the number of untaxed cars on our streets by two thirds; and powers for councils to check firms' waste removal contracts, so that unscrupulous businesses can no longer just dump their rubbish on our streets.

MPs who work hard in their constituencies know that people hate graffiti, litter, fly-tipping and abandoned cars. We know that they want meaningful punishment for people who are guilty of such antisocial behaviour. That is why Back-Bench Labour MPs want the fight to continue, and why we support this Bill. It remains frustrating, however, that many existing powers are not yet in wide use, and that authorities are still only learning about how they can make a difference. I want to concentrate on that issue in the time that I have left.

My constituents support what the Government are doing, but people's comments in the survey that I mentioned earlier also give a strong sense of frustration. They need reassurance that new laws will be firmly policed and that there will be a strong chance of the perpetrators being punished. As one couple told me:

"Unfortunately, the reported number of prosecutions for any of these offences is extremely low and, in some cases, non-existent. I believe it is pointless to introduce further legislation which will not be enforced."

Another constituent said:

"Although I believe that the measures will help, the most effective deterrent is the probability of being caught and punished".

People believe that the Government are sincere in our intentions, and support our proposals, but they are concerned about our ability to deliver. They hear stories about lenient punishments that do not begin to cover the cost of the damage caused. For instance, in Merton—of which Mitcham and Morden forms half—Shane Simms admitted damaging buildings including a mosque and graveyards and peppering his tag all over buses, lorries, telephone boxes and many private and business premises around the borough. He caused tens of thousands of pounds worth of damage. The police, Merton council and many others invested hundreds of hours in his case, yet he ended up getting community service.

I want the courts to be tougher on vandals, but I also want to ensure that bodies such as Merton council and the police do not spend time and money chasing people who commit vandalism, graffiti or even littering without being able to cover the cost. Unless local authorities can afford to use their powers, we can be fairly sure that these problems will remain.

Last year, the Government accepted my suggestion that statutory undertakers must keep their street furniture graffiti-free, and that if they do not, Merton council, and several others in the pilot scheme, can step in, clean the graffiti and bill the companies for cleaning costs. Unfortunately, Telewest is refusing to comply, and Merton has not yet taken action. I hope that it will do so, because this is a dreadful problem, and I do not want Telewest to get away with it. That highlights a difficulty, however, because if councils do not have the front-end resources or the willpower to deal with the issue, or to recover all the costs, such policies will not completely solve the problem. Although other organisations have improved their approach as a result of these powers, it takes only a few antisocial organisations, such as Telewest, for the problem to persist. Similarly, Merton council already has the power to fine people who drop litter £50, but it does not do so—not a single fine has been applied—because the process is complicated, and councils cannot recover the full cost.

The Bill will tackle many of these problems. It will enable councils and the Environment Agency to recover investigation and clear-up costs of fly-tipping. It will allow them to recover the costs of returning abandoned shopping trolleys to their owners—I am sure that that will be a source of amusement for tomorrow's papers. It will allow them to fine businesses that fail to produce waste transfer notes and to keep the receipts.

I know for a fact that Merton, and councils like it, would love to be able to take advantage of the powers in the Bill, but I want to ensure that they can do so without

[Siobhain McDonagh]

having to increase the amount of money that they need from council tax payers. The last thing that I want is for people to accuse us of creating new powers that are subsequently never used. That is why we must monitor what happens on the ground when these powers are introduced, to ensure that they are being used, and if they are not, we will consider what the disincentives are.

When my right hon. Friend the Minister for Rural Affairs and Local Environmental Quality launched "Living Places", he said:

"Enforcement bodies need useable powers . . . with the option of reclaiming costs. The powers that exist are regarded as limited and weak."

He also said that

"we want to ensure that those who are responsible for ensuring that our public spaces are clean and safe have the powers that they need . . . We need everyone from businesses to community groups and individuals to share a common sense of pride and respect for our shared spaces".

I agree. My constituents have to pay more and more through their council tax to clear up fly-tipping, graffiti, abandoned cars, litter and so many other things.

Unless we can reduce antisocial behaviour and improve the environment, we will see a decline in participation and in voting, because although people may think that we are good at improving the big things—unemployment, the health service or the economy—we cannot allow them to feel that we are powerless to improve the condition of their streets. For the sake of thousands of people in my constituency and in others, who want to see cleaner neighbourhoods, where they feel safer and in more control, I support the Bill.

7.40 pm

Mr. Colin Challen (Morley and Rothwell) (Lab): This is a welcome Bill, which will provide relief to our constituents who daily face the myopic behaviour of a minority of people who defile and demean our local communities. It provides more powers for local councils and the police to tackle the low-level environmental despoliation of our streets and green spaces, and gives local people a greater voice in that seemingly never-ending struggle.

My experience on a recent Environmental Audit Committee inquiry into these issues taught me that there is no ready institutional answer to dealing with the antisocial mentality and dysfunctional behaviour that lead some people to make life a misery for their neighbours. When there exists a significant minority of people who simply do not care about the impact of their behaviour on others, it is not easy to bring them into line, but laws that give local communities the protection they need are clearly required. The Bill goes a long way towards addressing that deficiency.

I feel obliged to say, however, that the Government's assumption that extra resources will not, in general, be needed to make the legislation really effective needs to be carefully assessed. I say that even though we now have more police officers than at any other time in history. We now have police community support officers, and as a member of the Standing Committee on the Police Reform Act 2002, I seem to recall that there were people on both sides of the House who thought they were not a good idea—but how the sceptics have been proved wrong. We have also witnessed some of the largest increases in local government funding, well above the rate of inflation, and next year's settlement is no exception.

There are, however, still aspects that I hope, after this debate and other representations, the Government will consider carefully. In my district, covered by Leeds city council, with a population of 750,000 people, we had until recently an innovative and determined Labour-run authority that was bent on investing more in fighting antisocial behaviour. It introduced a noise nuisance hotline and antisocial behaviour crackdowns, helped to secure more PCSOs than anywhere else outside the Metropolitan police area and generally sought to be aware of people's concerns.

Yet antisocial behaviour does not cease, and it seems that money cannot always be saved in tackling it—perhaps it is simply that our expectations are raised. For example:

"In 1998/9 the Council allocated £10,000 to remove graffiti and illegal flyposting from the city centre, which was more than adequate. In the current financial year, more than twice that amount has already been spent and not all graffiti is being removed."

Those were the words of John Kearsley, the council's chief support officer, in evidence to the Environmental Audit Committee in February 2004. He went on to say that at that time there were just 13 dedicated environmental enforcement officers to cover the whole city. Clearly, with the extra powers conferred on the council, which will be well publicised, not least by those of us who will be voting for them tonight, public expectations will be raised. New powers do not always mean that extra resources are required, but in this case they will be required, and we shall need to be alert to new ways of finding the money to achieve the Bill's objectives.

Let us consider alley gating. The idea of gating off alleyways, or ginnels as we call them in Leeds, is excellent, provided proper consultations are carried out. I can think of several areas in my constituency where the potential for gating is evident, but in one case where a ginnel was gated, the overall design fell somewhat short of a complete solution, as not only the entrances needed gating but the boundaries of the ginnel, adjacent to people's gardens, needed extra protection. Miscreants will simply go through people's gardens if the fencing is not up to the job. All that costs money, and the sums are not insignificant. An effective gating system could cost tens of thousands of pounds. In Tingley, in my constituency, I talked to constituents about gating a network of ginnels that connected different streets, the main branch of which was the real problem, but it was fed by tributary paths. In such a case, gating would be an expensive solution and even then, because of its nature, not all residents would want interference with their rights of way.

To make the powers effective, we will need to find new resources. Certainly, some will come from more effective working at local level, but there are clearly resource issues in both capital and revenue terms, especially if we want more dedicated environmental enforcement officers. On the latter point, it is obvious that noise and

light pollution problems are primarily night-time complaints. The staffing costs are consequently higher, and may not be easily accommodated simply by finding more effective ways of working—perhaps through shift patterns.

I want to comment on some other aspects of this excellent Bill. I welcome the extra powers that parish and town councils will acquire to enable fixed penalty notices to be given out for things such as littering. Thanks to the Labour Government, such councils can now make a much bigger contribution to combating such low-level environmental crimes; for example, by helping to fund PCSOs. Once again, Labour's crime fighting initiatives, despite meeting initial opposition, have been grasped locally by all parties, some of which even pay us the compliment of taking the credit for them.

The Bill proposes regulations on how the receipts from such fixed penalty income should be spent. I hope that in the early stages such money will be used solely to offset the costs of employing people, such as PCSOs, who have a role in enforcing the law. Such legislation will have a far greater impact if there is a clear causal effect all the way through, so that people can see how transparently and effectively it is working, and that it does not become just another funding stream for the general pot.

Some parish councils might like some of the money collected from fixed penalty notices to be spent on all sorts of other things, the impact of which would not be so evident. Where that happened, parish councils might be less likely to improve their overall effectiveness, and might instead try to extend their functions beyond what is appropriate to that level of local government, which after all is funded by the not so accountable means of a precept. I know from local experience that precepts can be greatly increased without a commensurate increase in service delivery. Money has sometimes been used to increase balances at the taxpayer's expense. I hope that the Secretary of State will ensure that the use of extra powers in lower-tier councils is carefully monitored.

I very much welcome the new controls to be placed on the free distribution of printed matter, much of which is distributed on behalf of businesses. Of course, they have to advertise, but far too much of that material ends up on the streets. In my constituency, in the circulation area of a free weekly newspaper, copies are as likely to end up in the garden or on the doorstep as through the letterbox, adding to the litter problem, and in some cases letting burglars know which houses are unoccupied. In the same category, sadly, fall a number of charities, which chuck plastic collection bags on our doorsteps or leave them hanging out of the letterbox. Presumably, the idea is that if people have nothing to put in the bags the collectors will pick them up on their next round, but that does not always happen.

Charities and some other groups are exempt from the provisions of clause 23, but they should not be exempt from the expectation that they should adhere to the standards imposed by statute on others. I would also appreciate it if the Minister would make it plain whether the exemption for religious organisations is to be defined in the Bill in the same way as the protection of religious freedoms is defined in the draft convention on human rights, to ensure that discrimination on grounds of one's religion, or none, does not take place in the context of clause 23.

Finally, noise nuisance is addressed in the Bill in terms both of alarms going off and of noise from premises generally. Although those are serious problems, I wonder whether they are on the same scale as what is, I believe, a more prevalent nuisance: noise from cars and other vehicles. Would it be possible to extend the provisions to vehicles? Car alarms seem far more prone to go off than burglar alarms, and the other type of car noise—from monster bass sound systems—is a real and deliberately manufactured nuisance. How many streets are blighted by those mobile noise terrorists, who clearly cannot hear anything outside their vehicles, and who often, because of their semi-blacked-out windows, can hardly see anything either, as they drive around? Such vehicles are almost as bad as the motor cycles that have had the silencers knocked out of their exhausts.

I do not understand why some people want to advertise their stupidity, but advertise it they do, causing considerable annoyance to residents who just want to enjoy a bit of peace and quiet in their own home. I hope that the Government will ensure that the use of fixed penalty notices for noise pollution can be made more widely available to tackle that problem.

7.50 pm

Mr. Bob Blizzard (Waveney) (Lab): This is a very important Bill indeed. That is demonstrated not just by the number of Labour Members who are seeking to catch your eye, Mr. Deputy Speaker, but by the fact that the public think so too. One does not have to knock on too many doors or stand on too many doorsteps to know that. I rarely come across anyone who wants to discuss the five economic tests for the euro, the Freedom of Information Act 2000, or even the Human Rights Act 1998, but I regularly come across people who are concerned about litter, fly-tipping and abandoned vehicles. Those people will be amazed that there is no interest at all in that tonight among Opposition Members, and they will be shocked that the Conservative party will vote against the Bill.

My particular interest in the Bill relates to litter. I introduced two private Member's Bills on litter in 2001 and 2003, and I have always believed that litter is a very serious issue; it is not just unsightly, but a health risk, and it affects urban and rural communities, streets, open spaces, and in coastal constituencies such as mine, our beaches that mean so much to us.

It is an important matter in my constituency. My local newspaper, the *Lowestoft Journal*, has been running a campaign to clean up the streets for some time. People write in and report things to the paper; it focuses on the issue, and the aim is to put pressure on the local authority to do something about it. The campaign has had only limited success, because the truth is that we in this country are not very good at dealing with litter. The culture of litter management is wrong.

Despite having laws that prohibit the dropping of litter—fixed penalties were introduced as long ago as 1990—most of the time, if we are truthful about it, we tolerate that practice. We walk around in it for most of the day, and we concentrate our efforts on clearing it up.

[Mr. Bob Blizzard]

at a huge cost—something like £450 million a year—but we then complain if the council or someone else does not clean it up properly or effectively. That approach is rather like that taken by Sisyphus: it offers no solution at all. There is evidence that the more effective and efficient we are at clearing away litter, the more of it is dumped, especially in terms of fly-tipping and abandoned cars. We have not tackled the problem at source, and we have not seriously enforced our litter laws.

The Government doubled the fixed penalty fine to £50, but, as I said in introducing one of my private Member's Bills, no more than about 3,000 fixed penalty notices were issued a year. I have further details, I apologise to my right hon. Friend the Minister for the figures that I gave earlier; they relate to the period before November 2003, when the Local Government Act 2003 came into force, but they make the point about how bad the then situation was. Only 76 out of 359 local authorities issued any fixed penalty notices at all, and of the 1,366 notices that were issued in that period, 624—nearly half—were issued by just five authorities. So if authorities take litter seriously, they can get down to dealing with it, but most authorities do nothing about it at all.

The problem has been that those local authorities have not had the resources to carry out the enforcement because they had to pay the money raised by the fines to central Government. In fact, very little money reached central Government because hardly any enforcement was taking place. So when I proposed those private Member's Bills, I introduced the simple idea of allowing local authorities to keep the revenue from the fixed penalties to provide an income stream for enforcement—in other words, as has been said, to make the polluter, not the taxpayer, pay for dealing with the problem of litter. I was delighted when the Government incorporated that idea in the Local Government Act 2003, but I expressed concern at the time to my right hon. Friend the Minister about whether local authorities would take up the new powers that were given and spend that revenue specifically on enforcement or in a broader way.

The pilot schemes that took place during the year before the 2003 Act came into force showed that authorities, such as Newcastle and Manchester—two of the five that had issued fixed penalty notices—could have success, but that even some of the pilot authorities that had signed up to public service agreements did nothing to use the powers that they were given. Since the 2003 Act, some progress has been made, but in the year 2003–04, still only 7,500 fixed penalties were issued for littering—not a lot nationally for the amount of litter that is dropped on our streets and open spaces.

We know from our own experience that many local authorities—probably most of them—such as my own, Waveney district council, have done absolutely nothing. They have not taken up the new powers. They have not changed their own culture of how they tackle litter. That was picked up in the Audit Commission's recent comprehensive performance assessment of Conservative-controlled Waveney district council that said:

> "Key areas of weakness include weak performance in maintaining a clean and tidy environment. Street cleaning is not effective in Waveney. The council does not make full use of the range of enforcement powers available although it has effectively used some powers including those to tackle litter on private land. The dog warden service has been discontinued and, although the street wardens tackle a wider range of issues, they do not have the power to issue on the spot fines for dog fouling or littering."

The problem is that the council has not shared those findings with the public, so they are still not aware of what their council should be doing.

I very much welcome the Bill. I particularly welcome the measures that deal with litter, specifically the idea that local authorities can decide, within guidelines yet to be given, what the fixed penalty should be, but the default amount will be £75, so we can look forward to some heftier fines, thus producing a bigger income stream for those local authorities that take up that option. Local authorities will no longer have an excuse for not using the powers available to them.

I welcome the fact that beaches will be defined as areas where the litter law takes effect. I am delighted that it is also proposed that it will be an offence to drop litter on private land as well as on public land. It is a good idea that well-organised parish and town councils will have some powers. It is a particularly good idea that litter authorities will be able to authorise individuals other than their own employees to issue fixed penalty notices, as there have been some problems when using contracting companies.

My final point is that there will be no excuse for councils not to take up the new powers, but the Government and, indeed, the House still have a role in ensuring that they take them up. We do not want postcode litter enforcement in this country. I ask my right hon. Friend the Minister whether his Department will carry out an annual survey of how many local authorities use the fixed penalty powers. Will he survey the number of enforcement officers employed by each local authority and the number of fines issued by each local authority? May we please have a league table, which is monitored? Perhaps we should consider penalties for not using fixed penalties, but we must change the culture, putting the onus on the polluter, not the taxpayer.

Our constituents care about litter, and they want greater action to be taken. They are proud of their neighbourhoods, and they want them to be clean. As taxpayers, they want such action to be taken. They want to make the litter louts pay. If we can focus our efforts on that, we would have cleaner neighbourhoods all around this country.

7.59 pm

Jane Griffiths (Reading, East) (Lab): I am grateful for the opportunity to take part in this important debate on this important Bill. I am pleased in particular to follow my hon. Friend the Member for Waveney (Mr. Blizzard), whose constituency is totally different from mine. His is coastal and mine is inland, although this debate points up the fact that we share the same problems to do with the quality of our local environment.

Most of us remember the European elections in 1999, when the opportunity to take a swipe at the Government was taken by those who did not bother to vote or who did not vote Labour. Notionally, almost every Labour seat gained in 1997 would have been lost at a subsequent general election if that result in 1999 had been replicated. Why am I talking about the 1999 European elections in a debate on this Bill? One seat gained in 1997 that would not notionally have been lost in 1999 was that of Brent, North.

I had a discussion about that result with my hon. Friend the Member for Brent, North (Mr. Gardiner), who is not present but is aware that I was planning to refer to him. That led me to import into Reading, East what became known as the Gardiner method. I have spent almost every weekend since knocking on doors in my constituency. I am not unusual in that; many hon. Members are regularly to be found on the doorsteps—otherwise we would not be standing here this evening referring to what our constituents tell us on such occasions. However, most MPs use the roving surgery method, whereby leaflets are delivered and people are asked to put one in their window if they want their MP to call on them. The MP and their team then call on those displaying the leaflet. The Gardiner method is different: everyone gets a leaflet saying that their Member of Parliament is coming to see them, and every door is knocked on. Every household is contacted and asked whether there is anything at all that they want to raise with their MP.

This is not the occasion to enter into a debate about the merits of different methods of contacting our constituents, but the Gardiner method produces an unprompted view from my constituents on what bothers them, and that brings me to today's debate. What have been raised most with me are the very matters with which the Bill is concerned: abandoned vehicles, fly-tipping, fly-posting, graffiti, dog mess. I believe that that experience is shared by my hon. Friends. I echo the regret that so few Opposition Members are present; I imagine that their constituents will have noticed and that when the election comes they will vote accordingly.

I have often made the point publicly to local journalists in my constituency about what matters to people, and those journalists have expressed surprise that constituents are not more concerned about the war in Iraq or national themes such as the freedom of information. Those are not the things that people raise on the doorstep. If one goes out and talks to people where they live about what matters to them, the issues raised are the subjects of this Bill.

That is a powerful argument against those who deride the Bill as not important. We have seen some of that derision reflected in the media. I read in one national newspaper over the weekend that the Bill was a rag-tag piece of legislation, lacking in vision and typical of what might have been expected from John Major's Government before 1997. I suggest that the journalist who wrote that talks to real people about what concerns them. That journalist will find that the Bill does concern people.

In March 2001 I initiated an Adjournment debate on abandoned vehicles—one of the first occasions on which that issue was raised in the House. Action did follow that debate, in Reading and Wokingham, and nationally. I very much welcome the even greater powers that the Bill gives councils to remove some abandoned vehicles from the street immediately. The sometimes lengthy delays in removing such vehicles, which become a hazard, concern people.

I also welcome the powers to deal with nuisance parking—offering for sale two or more vehicles or repairing a vehicle on the road as part of a business. Too many times it has been difficult to get action taken against such vehicles, but the practice has caused problems for small garages in my constituency, which pay for premises and other necessary overheads. People repairing vehicles on the street will also pour unwanted oil down drains, causing environmental problems. The new powers will therefore be welcomed not just by individuals but by small car repair businesses in my constituency.

I understand why the power to deal with offering vehicles for sale has been applied to two or more vehicles. After all, if someone wants to sell their own car, they might put a sign in the window offering it for sale and we do not want to penalise people for parking their car on the street or in their drive because they are offering it for sale. However, someone in my constituency serially offered vehicles for sale from the roadside at a secondary shopping centre. Each time only one vehicle was on the street, but as soon as it was sold, another appeared. The mobile phone number given to contact if interested in one of the cars was the same in all cases. Colleagues of mine rang the number on more than one occasion and the same person always answered. That person was using the public highway as a garage, causing a nuisance to my constituents and businesses, and the parking space taken up by the vehicle could not be used by those wanting to go to the shopping parade—yet nothing could be done by the police or the council.

I am concerned that the Bill would not offer an opportunity to deal properly with such a nuisance and I hope that my right hon. Friends will try to find a way to address that problem as the Bill progresses. Perhaps an amendment could be tabled to change the number of vehicles from two to one but include provision about intent to sell as a business. In that way, the nuisance that businesses and constituents have raised with me arising from a single, serial vehicle seller could be dealt with, but ordinary people trying to sell their own cars would not be caught by the provision.

To take issue with the journalist who disparaged the Bill over the weekend, let us consider the new requirement for local crime and disorder reduction partnerships to take antisocial behaviour affecting the local environment into account in developing crime and disorder strategies. That is most welcome, as it will put the views expressed to me by my constituents on the doorsteps of Reading and Woodley at the heart of action by our police and local councils to tackle that nuisance. The concerns expressed to me will be put at the centre of plans to tackle the nuisance that people experience in their everyday lives.

The greater use of fixed penalty notices as proposed in the Bill is most welcome too, particularly the opportunity for local authorities to keep the income from the fines to pay towards cleaning up our environment. I realise that people might use the same argument against that as they do about fines from speed cameras. My response is the same: "If you don't want to pay the fine, don't do the crime." I hope that the

[Jane Griffiths]

hypothecation of income from the fines will allow the expansion of services to catch people littering, fly-posting, fly-tipping, painting graffiti and allowing fouling by dogs.

In particular I welcome the opportunity for parish councils to issue fixed penalty fines in response to some of those problems, and I look forward to Woodley and Earley town councils in my area coming up with imaginative schemes to deal with that nuisance. It is what the people living in those areas want. I just hope that because Woodley is run by the Liberal Democrats it does not suffer the same fate as Woodley centre did when the Liberal Democrats ran Wokingham council and forgot to bid for money for closed-circuit television to tackle crime. I hope that this time the council will be responsive to its residents and that I will not have to run another campaign among local people so that the council does what it should.

There is one aspect that the Bill does not cover but which I would like to see in it: the power for local authorities to remove unnecessary street furniture. My constituency covers the entire town centre of Reading. In the main pedestrianised area of the town centre, there are a number of public payphone kiosks. The company that installed the kiosks has gone out of business and it is no longer possible to use them, but they remain in the street, getting in the way of people walking along it. They have been vandalised and so have become dangerous, yet the council is not currently in a position to remove them. Even if it did remove them, who would pay for doing so? The non-existent company cannot do so; perhaps the taxpayer would have to pay. I want a power in the Bill to remove third-party street furniture in the interests of safety and amenity. It would follow the philosophy of the rest of the Bill if the council were able to claim against the company responsible, or even against the administrators or receivers, for the cost of removing redundant third-party street furniture.

I welcome the provisions on fly-tipping. Far too many people think that they can avoid their responsibilities to the environment by dumping their rubbish. They cost all the rest of us, because we have to pay for the removal of such rubbish.

This is an important Bill for tackling the problems that affect people where they live. It is an example of this House and our Government doing best what they should do: introducing legislation to make the lives of ordinary, hard-working people in this country better.

8.9 pm

Barbara Follett (Stevenage) (Lab): Like my hon. Friend the Member for Reading, East (Jane Griffiths), I welcome the Bill—and I know that the people of Stevenage do, too. I have been incredibly frustrated in the seven years that I have been an MP because I have been unable to do anything about the things that concern my constituents most. Labour Members have talked a great deal about that, but Conservative Members have been mainly absent or have derided the Bill. They must be out of touch with what is happening in the real world.

My constituency is both urban and rural. Some 59,000 of my voters are in the urban area. Another 9,000 are in a very rural area. The problems are the same, however. There is not a divide. I live in the rural area and littering is worse there than it is in the urban area.

I want to concentrate on the problems facing a new town and the opportunities that the architecture of the 1950s and 1960s gives the graffiti artist. The concrete walls are the perfect canvass for graffiti. The underpasses are crying out to have things painted over them. The chewing gum that attaches itself to the town centre costs £45,000 a year to remove. If Westminster is spending £90,000 on de-gumming Oxford street, just imagine what we are doing in Stevenage.

I am not a chewer. I do not know how many hon. Members would own up to that vile habit, but I know that some do it. I have even seen some Ministers do it on the Front Bench, and I hope that the gum is disposed of well. Britain has an untidy culture. We only have to cross over to Paris to see the difference in people's attitudes. We should look at how people maintain their homes. I confess to being a tidiness freak. My five children say that I am in politics so that I can tidy up the world. This is my attempt to do so. I am glad that the Government are giving me a chance to pursue that because we need to tidy up.

Stevenage needs gating because the structure of the pedestrianised alleyways built by the planners of the 1950s and 1960s provides the perfect place for youths to race their mopeds. Those mopeds do not have silencers—so not only is it dangerous, but it is noisy. Most of that activity takes place after dark. There is gang racing and people are using motor cycles as well. For me, the gating provision is not only necessary but urgent.

Like many other hon. Members, I have fought to deal with abandoned cars, especially during the 2001 general election when I noticed an enormous number of such cars in the rural section of my community. I also initiated an Adjournment debate on that and have worked with the Government on some of their changes to the law. I welcome the further changes. It is incredibly frustrating to see a car sitting in the same place for 15 days and for it to be vandalised or set on fire by youths. It costs this country £230 million to deal with burnt-out vehicles. I can think of many other uses for that money. It costs Stevenage borough council £100,000 to deal with abandoned cars. That relatively small borough council spends more than £2.5 million on clearing up items mentioned in the Bill. Although it can find the money, it will welcome the fixed penalty system because it will get some revenue at last.

I am also glad that the selling and repairing of cars on the roadside is to be halted. As my hon. Friend the Member for Reading, East said, that fouls the pavements. In a new town, which was built when not many people had cars, people tend to pursue that activity on grass verges. It also ties up for long periods the few parking places that we have.

My hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) said how people cease to engage with politics when they find that we are powerless to change anything. That is one of the most important things that the Bill addresses. If we cannot change those daily irritants of the Englishman and Englishwoman in their castles—their homes—what are we in this building for? I am amazed that the

Conservatives are voting against the Bill. The hon. Member for Southend, West (Mr. Amess) talked about his constituent who is affected by graffiti. What comfort does he offer that man? Nothing at all other than saying that people should take responsibility for it. Yes they should, but they do not and we probably have to make them do so. I regret the existence of the nanny state, but occasionally we need it.

The only thing I have in common with the hon. Gentleman is that I am the proud owner of a black Labrador. I also own a yellow Labrador. I am a doting dog owner. The hon. Member for Old Bexley and Sidcup (Derek Conway) talked about the comfort that dogs bring. Mine are commuting dogs. They come in and out of London. I know that the fouling of pavements in Westminster is a problem. I carry those little blue bags and the pooper-scoopers. According to the Department for Environment, Food and Rural Affairs, there are 6.8 million dogs in Britain, rather more than the hon. Gentleman noted. They foul an amazing amount. The figure is incredible. Some 1,000 tonnes of dog fouling is produced a day, and my two contribute their bit. We have to get people to pick it up, but people do not. They say, "How can I control my dog?" It is not about controlling the dog, but about people controlling their own actions. The polluter must pay.

On graffiti, Stevenage has a good graffiti-busting team, but it costs the town's taxpayers £60,000 a year to clean up. I welcome identity cards simply because I will not get another shopkeeper saying to me, "I didn't know whether he was 16 or not, so I sold him the aerosol." That is one reason why we need ID cards and I cannot wait for them to be introduced.

Fly-posting costs Stevenage £13,000 a year to remove. It is not one of our greatest problems, although the concrete walls of the town centre offer the perfect place to stick posters. I should like my right hon. Friend to think about estate agents' signs as a form of fly-posting. Estate agents just leave those things to rot in alleyways and hedgerows once they have let or sold—or not sold—a property. They should have a duty to remove those signs in a timely fashion. I have just won a battle on that on behalf of a constituent.

It is a big welcome from Stevenage for the Bill, although I am sad that we need to legislate for clean neighbourhoods and environments in this day and age. However, how many of us are guilty of chucking papers on the Floor of the Chamber and of not caring what happens to them? Ministers have been honourable tonight and nothing is on the Floor, but there is often a great deal of waste. We have a master-servant mentality because I know that someone else will pick up after me, as someone said to me in Stevenage. The man who pulled up near me when I was walking my dogs on a country lane and who chucked out an entire McDonald's dinner also thought that someone else would pick up after him. But we should be doing that ourselves. Then, we would not have to spend all this money on enforcing something that, with a little bit of thought and care, would not be necessary.

8.19 pm

Claire Ward (Watford) (Lab): I am very pleased to have the opportunity to support the Second Reading of this Bill. Many of the proposed measures, which have been mentioned by my colleagues, will be of great benefit to people in my constituency who continue the suffer the effects of antisocial behaviour and the damage that litter, graffiti, fly-posting, fly-tipping and abandoned cars inflict on our environment, to name just a few of the things that the Bill will tackle.

We all want to live in a pleasant environment. We want clean, safe streets. Yet when an area becomes untidy and unloved, it is easy for those who live there to lose the respect for it that they once had. Once graffiti and litter take control, it often becomes too difficult to take pride in a street. The majority of the population do not litter, abandon cars or scribble graffiti on walls and buildings. They deserve the support and protection of their local authority and the Government in cleaning up the place. The Bill is for the majority of decent, ordinary people who want to live in a clean, safe environment.

There is no doubt in my mind that we face a greater problem than we did many years ago, and there is no doubt about the need for the Bill. I certainly remember that, as a child, I would not have thrown litter on to the street. On the contrary, everything disposable—sweet papers, cans, packets of crisps—was put into our pockets or bags and placed in a bin at the first opportunity. Now, sadly, it is common to see people come out of a newsagent, rip open their packet of cigarettes and discard the wrapper on the street, without a single thought about the cost of clearing up the mess. Cigarette butts, too, are a filthy but common addition to street litter, and I am pleased to note that they are now being classed as litter. Despite existing laws, there are few cases of fines for littering, so it is clear that local authorities need more powers to tackle the problems that affect our towns and local environments.

That is one reason why I welcome the Bill, and I am both surprised and saddened that the Conservative Opposition have decided not to support it. I listened carefully to the opening remarks of the hon. Member for South Suffolk (Mr. Yeo). Not only did I hear nothing about what the Conservatives might propose, but in many cases I heard the hon. Gentleman agreeing with the need for legislation. I remain baffled, as I think most members of our communities will be, about why the Conservatives have chosen not to support the Bill. Of course, Bills often require amendment, but the time to do that, as someone who has been on the Front Bench for many years should know, is in Committee, rather than opposing the whole Bill on Second Reading.

One reason that the Conservatives gave for opposing the Bill is their strange belief that it affects urban communities and ignores rural ones. I would not claim for a moment that Watford is a rural community; it is an urban environment, but it is surrounded by rural communities. Although I do not have many farmers in my constituency, the one or two who do live there have complained for many years about the problem of fly-tipping on their land, saying that they have to pick up the cost and no one is there to support them. I hope that the Bill will provide some comfort to them.

I also welcome the fact that as Watford is part of Hertfordshire, we have many town and rural parish councils and they will now be given an opportunity to contribute to controlling litter and graffiti through the use of fixed penalty notices. I hope that the parish councils in my constituency, particularly Abbots Langley, will take that opportunity.

[Claire Ward]

I want to concentrate on a clause that will make a huge difference to many areas in Watford. Antisocial behaviour has been a particular problem for the people living on the Sherwoods estate. The design of the estate is such that it is dissected by an exceptionally high number of pathways. The community has been working closely with the police over the past 18 months to combat antisocial behaviour, and they have welcomed the many powers put into the toolbox for police and local authority use over that time. Dispersal powers under section 30 of the Anti-social Behaviour Act 2003, antisocial behaviour orders and acceptable behaviour contracts are among the measures used to try to curb the problems affecting local people.

The difficulty is that the nature and design of the estate means that youths being chased by the police can disperse very quickly through the pathways. In addition, as many of the paths run along the back or side of people's properties, they provide easy access to those who want to try unlawfully to gain entry to people's houses and gardens. That does not help when one is trying to tackle crime and antisocial behaviour. On top of that, Hertfordshire county council's difficulties with lighting contracts means that many of the areas and paths on the estate do not have sufficient lighting. All that means that, sadly, the estate has suffered from antisocial behaviour.

Earlier last year, the residents association, which formed to try to unite in dealing with those problems, asked the county council to make the relevant orders to close some of the pathways. The plan had been agreed by residents and the police, and although some routes would be gated, others would be left for people to use. The community had even been told that money was available to make sure that those gating orders could be made. However, under the current legislation the task is not so easy. The county council told residents that it had to put out a notice to inform various organisations of the plan, including the Ramblers Association, the Open Spaces Society and the British Horse Society.

Anybody who knows Watford, and in particular some of the estates, will know that it is not an area where one frequently sees ramblers. Even smaller is the chance of anybody using the paths in the middle of a housing estate for horse riding. I would not have believed it possible that the community's wishes could be thwarted by those organisations. Sadly, however, it was possible. Despite the attempts by Hertfordshire county council to reach a compromise and my attempts to contact the organisations' head offices, we were unable to reach an agreement on the paths that the residents wanted gated, even though there would have been a sufficient number of paths left for people to use.

The responses that I received from the organisations were varied. The British Horse Society merely acknowledged my letter and told me that it would be writing to me with more detail and in more depth in due course. That was in October, and I am still waiting. The Open Spaces Society sent what was, frankly, a rather arrogant letter that completely missed the point. In displaying such arrogance, the organisations seem to forget the people who have to endure the problems of antisocial behaviour and live, day in and day out, with the difficulties that result from the environment in which they live. They should make the decision, but others may decide that there is a greater principle at stake, keeping a pathway open rather than simply closing and gating it.

I hope that the Bill, in which I have great confidence, will provide people on the Sherwoods estate and elsewhere in Watford with an opportunity to have gating in areas where it is needed to tackle antisocial behaviour.

8.28 pm

Dr. Alan Whitehead (Southampton, Test) (Lab): Like many hon. Members, I have puzzled about why the Conservatives decided to oppose this excellent Bill tonight, and I have come up with an explanation, which I shall advance later. However, I might excuse the hon. Member for South Suffolk (Mr. Yeo), as I got the—perhaps entirely erroneous—impression that he was winking at us while making his introductory remarks and that, in fact, he did not believe a word that he was saying. I might be entirely wrong about that.

This weekend, I spoke to residents of the Saltmead estate in my constituency. Although it is a well-appointed estate, the residents expressed considerable concern about graffiti, fly-posting, litter and other problems. If I told them that there was a Bill before Parliament that could make a real difference but that the Conservatives in the House of Commons argued that there was too much emphasis on urban areas so they would oppose it, they would not believe me. Residents around Gover road want a cutway and bridge closed or gated under the new legislation. The council thinks it does not have the powers to do that, even though the cutway and bridge seem to serve the sole function of enabling people to cause damage and run off undetected. If I told the residents that there was a Bill that would allow legal gating of that cutway and bridge, but that the Conservatives opposed it because they were worried about producer responsibility for chewing gum manufacturers, they would again not believe me.

Some have characterised the Bill as a number of disconnected measures, but it is a deeply connected Bill. It is about liveability—the ability of communities to live well on the basis of shared respect for their environment and for the circumstances in which they live. All of us hear in our surgeries about how our constituents' lives are being made hell by noise, graffiti or antisocial behaviour, and how their community is, as they see it, being degraded by fly-tipping, litter, abandoned cars and so on. Each act is carried out, often with no thought, by individuals who take the rights that they gain from living in a community but who, for some reason, decide on the occasion of their act that the responsibility that goes with it is not for them. Or they think that one such act—one van load of waste tipped in a field, one car abandoned in a car park, one tag on a wall announcing, "KBK kicks butt"—will make no difference, but it does.

I liken that sort of behaviour to irresponsible driving. We all drive—or at least, most of us do—on the same side of the road not only for our own safety, but for the benefit and mutual convenience of others. We do not consider that the nanny state has forced us all to drive on the correct side of the road and—with some exceptions—we do not think that a brief episode of driving on the wrong side of the road will go unnoticed. It does not, and it causes disproportionate disruption to

all the other considerate behaviour on the road, so it is not surprising that it is an offence. Environmental crime should be an offence for the same reason.

Whether one calls it social capital or, as some have, the neighbourly society, it is a method—in this Bill, a positive one—of maintaining and strengthening the cohesion of society and liveability for the whole neighbourhood. The signals given by abandoned vehicles, fly-tipping, graffiti and litter are that that cohesion is falling away—that it does not really matter, that people can get away with worse and that there are no real responsibilities to be contemplated. I was interested to read a little while ago a statement that seemed to sum up that view, which said:

"The neighbourly society . . . inducts the individual into the community and the community sustains the neighbourly society . . . What we see in too many neighbourhoods is a vicious cycle of disorder leading to insecurity then to community breakdown, then into the retreat of socializing influences and therefore to further disorder."

That quote is drawn from a speech made to the Centre for Policy Studies by the shadow Chancellor, the right hon. Member for West Dorset (Mr. Letwin). It is clear that senior Conservatives will the end, but not the means. Do they support the view set out by the shadow Chancellor that there is a connection, that there is a cycle and that communities must be able to support themselves and to expect that, when they are attacked, they can defend themselves? That is the essence of the Bill.

Significantly—at this point, I offer my promised explanation—it is local councils, parish councils and town councils that are the subject of the powers and measures set out in the Bill. The police will have powers to confiscate fly-tippers' vans—an imaginative measure—but waste authorities will have new powers to manage recycling, and district councils will have powers to remove abandoned vehicles quickly and effectively and to deal with fly-posting. Local government bodies will, among other things, be able to restore errant shopping trolleys to their rightful location—a measure that Southampton city council tried, but was unable, to implement under section 5 of the Local Government Act 2000.

The end, if we order the means of getting to the end, is an issue about the public role. It is about the community and public space—roads, public buildings, parks and common lands and the space in which the public move and enjoy interaction with others. If we will the end, it is that public space that is the area in which society works well or does not work well. We have to will the end through public measures and the efforts of public authorities through which the liveability of communities thrives or declines.

I am minded of the call for minimal government that we have heard yet again from the Opposition. On every occasion their recourse is to the market. Their definition of politics is essentially about the private individual in his or her private sphere. In an intervention, the hon. Member for Mole Valley (Sir Paul Beresford) bewailed the idea in the Bill that section 32 of the 1990 legislation should be turned off so that local authorities would not be forced to put out waste disposal contracts to third party companies.

The explanation is that public authorities acting together, acting imaginatively and bringing forward new ways of thinking about waste disposal, is an infinitely superior way of going forward as compared with the straitjacket that was imposed by the 1990 legislation. I would like other sections of the 1990 legislation, especially those relating to variable charges for local authorities in terms of collecting waste, also to be turned off. Perhaps that is another matter.

The issue of the private individual in his or her private sphere is perhaps at the heart of the opposition to the Bill. However, the Bill lies at the opposite of all that. It looks instead further to empower the community in the shape of its elected local organisations. That is not just to hold the line but to move forward the liveability of communities. That in reality is the common sense of community. People know that their lives can be greatly enriched by co-operation with their neighbours and by the shared sense of what their community is. They know also that that fragile enterprise is potentially prey to the actions of perhaps one or two who free ride on that community's efforts and actions. They want the measures that are set out in the Bill and they know that the market will not produce them for them.

I commend the Bill. I hope that those who vote against it will think long and hard when they talk about the community and its rights and responsibilities. They will have failed their own communities just as if they had gone out and dumped a car or plonked a pile of rubbish in a lay-by.

8.37 pm

Mr. David Borrow (South Ribble) (Lab): I am pleased to have the opportunity to speak in this debate. Having listened earlier to the statement from my right hon. Friend the Prime Minister about the Indian ocean disaster and the earlier questions and answers on Iraq, many of us could be forgiven for thinking that we are dealing with an unimportant area of public concern. However, Labour Members, especially those who have served as local councillors, know that many of the issues dealt with by the Bill are at the heart of people's concerns. I welcome the Bill especially because it has the support of the Local Government Association. Many of the Bill's provisions stem directly from the concerns of those who have the responsibility of running local authorities at district, council or parish level.

Many of the measures set out in the Bill build on legislation that is already in place. Part of the problem, which many of us recognise, is that existing powers are difficult to operate and implement. If, through the Bill, their implementation can be speeded and made easier, and in many instances significantly strengthened, we shall be doing a good job of work.

Why is the Bill important now? Why is it not, as the Conservatives say, a measure only for urban areas? The headlines in the press would have us think that graffiti, litter and abandoned vehicles are all about run-down urban areas. My constituency is semi-rural with an unemployment rate of 1 per cent. South Ribble borough council in my constituency recently conducted a survey and discovered that the vast majority of its residents thought that South Ribble was a good place to live. It has good schools, low unemployment, nice housing and good health services. However, 24 per cent. of local residents thought that clean streets and litter were a high priority—only 1 per cent. less than the 25 per

[Mr. David Borrow]

cent. who thought that crime and disorder was the most important issue. Crime and disorder, litter, clean streets and the environment are important in a constituency such as mine because issues that were of concern years ago have been dealt with. Residents have good schools and jobs, and we have low unemployment, interest rates and inflation. South Ribble is a nice place to live. However, when I knock on people's doors or meet them at coffee mornings, they talk to me about things that matter in their immediate neighbourhood. For example, they are worried about the ginnel in Penwortham that local youths use when going to and from school. It is covered in graffiti and terribly unpleasant, and a lady has been to see me regularly over the past seven years to try to get it cleaned up. The existing powers, however, make it difficult to deal with the problem properly.

My constituents are worried about cars that are abandoned in rural areas and not cleared away quickly enough. They are worried about litter, not just in town centres but in otherwise pleasant neighbourhoods. Sometimes, people allow their property or land to become an unsightly mess covered in litter or graffiti. No one seems to have the power to do anything about that—the argument is that it is private land or property so, unless it is a health hazard, nothing can be done. However, under the Bill, local authorities will be able to tackle the problem. Residents in the area who care about their homes and gardens and look after them, and who do not repair their vehicles on the street leaving oil everywhere, do not want their neighbourhood to depreciate in value or look a mess because one or two people fail to look after their properties and act as good neighbours. If the Bill makes it easier to deal with some of those problems, we should support it.

These are not simply issues for urban areas—all of them are raised in the 11 villages in my constituency time after time. When I write my weekly column for the rural issue of the free paper in my area, I will take great delight explaining to residents that the Bill is opposed by the Conservative party. I am sure that my probable Conservative opponent in the general election will be questioned about whether she supports her Front-Bench spokesmen, who continue to oppose the Bill.

I welcome the proposal to introduce greater powers to gate alleys. Lancashire county council has lobbied me for the past two years to try to secure powers to gate alleys throughout the county. It is a major issue in many Lancashire towns and I am glad that the Bill tackles it. I listened with interest to my hon. Friend the Member for Watford (Claire Ward), who talked about the problems of footpaths on an estate. Before I came to the House, I was a councillor for 10 years in Preston and one of my biggest bugbears was an estate with lots of little footpaths. The residents agreed that some of them should be closed to make the area more secure and safe, but every time that we tried to do something about it the ramblers and other organisations lodged an objection, so we did not succeed. If the Bill allows us to tackle the problem, that will be an important step forward.

I welcome the measures in the Bill for greater involvement of parish and town councils because such councils are often underestimated. When I was first elected and came into contact with parish councils, having previously represented an urban non-parished area, I was struck by the great range of activity and inactivity among parish councils. The best ones seek to represent and shape the lives of their local communities. They are proactive. They do not simply do the minimum. They look at ways in which they can make a difference. Several of the parish councils in my area—Hesketh Bank, Becconsall, Tarleton and North Meols in particular—are putting together village design plans with a vision of how their communities will develop. They are just the sort of parish councils that will want to take up some of the powers in the Bill to develop and lead their communities. That is as it should be.

I welcome much in the Bill. It will be a major step forward. It may seem trivial to some, but the fact that the powers were suggested by local authorities that have to deal with the problems at grassroots level means that there is a strong possibility that the Bill will improve the situation. If I have one concern—I should like my right hon. Friend to consider this—it is whether there will be sufficient resources for the measures in the Bill to be fully implemented by local authorities, and whether the Department should monitor the extent to which local authorities make use of the powers when the Bill is enacted, to ensure that we have got it right. There is little use in us here in Parliament passing good legislation that gives powers to make things happen if those who have been given the powers fail to use them.

8.47 pm

Iain Wright (Hartlepool) (Lab): I begin by expressing my astonishment that on an issue that affects the quality of life of millions of ordinary people, so few Conservative and Liberal Democrat Members wished to speak or even to attend the debate. As the newest Member of the House, I find it unbelievable that there are only two Members of the Conservative Opposition on the Front Bench and only one Member on the Liberal Democrat Benches. That has been the case for 95 per cent. of the debate on a topic of such importance. I hope the Opposition do not make a habit of that.

I shall concentrate on the neighbourhood aspects of the Bill, although I recognise that the environmental aspects underpin all its key elements. The Bill could have been written with my constituency in mind. I hold weekly constituency surgeries each Friday and undertake street surgeries on Saturday morning in a different part of the town. People do not raise with me concerns or opinions about the state of the economy, about who is talking to whom in the Government or even about Iraq.

Almost without exception, constituents are concerned and want me to do something about antisocial behaviour and nuisance neighbours who play their music at 3 o'clock in the morning or let their dogs roam the streets. They want me, as the town's MP, to tackle graffiti, fly-tipping and abandoned cars that blight their streets. They want me to deal with ugly and neglected buildings and thoughtlessly planned alley gates and rat runs, which help breed and nurture crime, drug dealing and antisocial behaviour on their estates. During my street surgeries I see all too clearly how bad planning and environmental neglect and decline prove to be barriers to opportunity and fulfilling potential. An entrepreneur wants to invest and try to create wealth in areas where graffiti, rubbish and fly-tipping are cleared promptly and culprits are punished. Residents want to

live on estates where decades of neglect and decline have been halted and reversed thanks to community involvement and investment in infrastructure, environment and people, and where one or two bad families' habits of causing litter and noise are not tolerated.

I welcome the Bill, not least because I know that it will work by and large. I know it because my constituency has already started to implement some of the measures. Hartlepool is a forward-looking town. It has made great leaps forward with regeneration initiatives such as the new deal for communities and neighbourhood renewal. With Labour the largest group in the local authority and, to be fair to him, an independent mayor—under Labour councillors' guidance—who has passionately embraced the Government's agenda of neighbourhood and environmental renewal, street-based policies are making an impact. In the past 12 months the local authority has responded to 362 complaints about graffiti, and has issued 89 fixed penalty notices for littering. More than 450 abandoned and untaxed cars have been removed from the streets of Hartlepool, which has led to a 65 per cent. reduction in overall vehicle-related crime in the town and a 55 per cent. reduction in vehicle arson. The Bill will help my local communities to build on that success, and to achieve even more.

As an MP who is passionate about minimising the incidences of antisocial behaviour on my patch, I welcome the amendment to the law to ensure that crime and disorder reduction partnerships consider such behaviour. Crime in Hartlepool has fallen dramatically in the past nine months, by between 35 and 40 per cent., thanks to enthusiastic embracing of the Government's policies by the police and other agencies, but this measure will make a specific, real difference.

As a result of the Bill, a hit list of all untaxed cars will be provided through a planned initiative between the Driver and Vehicle Licensing Agency and the local authority. That will provide a quick response, and instant removal when that is appropriate. A direct link to a range of agencies' files and databases will help the council to ensure that crimes such as fly-tipping, dog fouling, littering, noise nuisance and damage to street furniture are tackled quickly, thus preventing the rot from seeping in and leading to neglect and long-term decline. I hope that advances will also be made to ensure that fast-food outlets work alongside the local authority and others, so that we no longer see pizza boxes and kebab wrappers after the pubs shut for the night.

The Bill greatly increases the powers of local councils. It enables local community councillors to play a significant role in the improvement of their neighbourhoods. It also provides much stronger—and welcome—powers for parish councils to impose fines for litter and to ensure that they, like local authorities, play a role in making their areas safer and cleaner. I find it disappointing that other residents groups and agencies are not empowered to take the initiative in the same way.

As chair of the local strategic partnership, in which co-ordination of agencies' plans for the collective good of the town is undertaken, I find it unsatisfactory that LSPs and their role in this context are not mentioned in the Bill. As I said earlier, constituents expect me, as the local MP, to play a role in minimising antisocial behaviour and the dropping of litter. That could have been achieved more easily had the role of LSPs been made clear.

A couple of weeks ago, I planted bulbs in the Owton ward in Hartlepool with young people from the "Cool it" project, funded jointly by the Owton West residents' group and the Hartlepool primary care trust. Such initiatives could be encouraged by the Bill. However, I am sure that such moves to improve the neighbourhood and own a part of it would take place in Hartlepool anyway, thanks to the dynamic leadership provided in the residents group by John Reid and in the PCT by Gerald Wistow. Obviously there would need to be strict controls in relation to governance and accountability for residents associations—I agree with the Minister and the hon. Member for Guildford (Sue Doughty), who mentioned the need for legitimate elections to such associations—but it would be gratifying if powers could be extended to groups that have the potential to make such an impact on their own neighbourhoods.

In the overall scheme of things, however, those are relatively minor gripes. The Bill will help to build on the work already done in neighbourhood renewal, and will make people feel safer and have more confidence and pride in their communities. I fully support it.

8.54 pm

Andrew Mackinlay (Thurrock) (Lab): I welcome the Bill and congratulate the Secretary of State for Environment, Food and Rural Affairs and the Minister for Rural Affairs and Local Environmental Quality on bringing it before the House. Its full significance will probably not be appreciated for some time but it will be as important as the Janner legislation of 1945 to 1951 on town and country planning and the legislation introduced by Arthur Skeffington during the Wilson Government to improve our environment. It is an important Bill with many elements, but above all it will improve and enhance the quality of life in urban areas and the countryside.

One of the things that has been repeatedly referred to over the past hour or two is the absence of Conservative Members in the Chamber. Mr. Deputy Speaker, you will have had to explain to constituents, as many other hon. Members have, why on many occasions we are unable to catch the Speaker's eye. We explain that the Speaker and his deputies have enormous difficulty meeting the needs of all 659 Members, who want to speak on a range of issues. We even have the phrase, "There is mileage on the clock." If Members have spoken too often in the Session, they are less likely, rightly, to get preferment and to catch the Speaker's eye. We also explain that the Speaker and his deputies swing from Opposition to Labour to Opposition in calling Members to speak.

Those who follow the *Official Report* and watch the parliamentary channel may ask, "How is it that Labour Member after Labour Member spoke in the debate?" The fact is that there are no Conservatives here except the hon. Member for Vale of York (Miss McIntosh). She is not even like Horatius—she is not even flanked by two others. That reflects badly on the Opposition, who not only are not attending or contributing to the debate but will have the audacity to vote against the Bill later. I find it breathtaking in the extreme.

[Andrew Mackinlay]

I listened carefully to the shadow Minister, the hon. Member for South Suffolk (Mr. Yeo), when he tried to explain why he was going to vote against Second Reading and to commend that course to his colleagues. He did not offer any alternatives to ameliorate the problems of vandalism, fly-tipping, graffiti and litter, which are a terrible blot on our environment and a source of great irritation to Labour and Conservative voters alike. He did not make any proposals. To be fair, he said that existing powers could remedy the problems, but he did not tell us how he would ensure that those powers were triggered and what mechanism there was to flag up with all the various agencies that they should exercise their powers. I think that he is wrong, but he did not tell us or, more important, Conservative voters how he intended to tackle the issues that we are trying to deal with tonight. He owes it to the electors to explain why the Conservative Opposition voted against a measure that I would have thought and hoped commanded support across the political spectrum.

I want to refer to the proposals in the Bill on crime reduction strategies, which bring together the police and all the various agencies, empowering them but indicating to all of them that there is a public expectation that they get together to tackle crimes such as fly-tipping, graffiti, litter and other forms of vandalism that diminish our quality of life and environment. It is an important measure and will be welcomed by many of our constituents.

I see this as a class issue. The fact is that some of the poorest, most disadvantaged people suffer from these problems. They are exploited, often by unregulated business interests and by people who come into an area to dump litter. Some of the poorest, most disadvantaged but best citizens have to suffer and endure those problems.

I am conscious of the fact that many people think my constituency is urban. In fact, two thirds of the borough of Thurrock has very attractive green belt land, but of course it does suffer from the main problems that have been referred to this afternoon, including the dumping of waste on both public and private land. I welcome the fact that the Bill will remove discrimination between private and public land, put the burden of payment on the polluter, and impose significant sanctions on those who pollute and who dump controlled waste in particular. Indeed, such sanctions even include the seizing of vehicles when this crime is committed.

I took great interest in the proposal of gating minor highways when listening to the Secretary of State outline the Bill, and I am disappointed at the fact that the Conservative spokesman could not see that that will be beneficial. The explanatory notes state:

"In built-up areas there are many minor highways giving rear and side access to properties and providing shortcuts between blocks of properties."

We can all identify with the problems that such access causes. Such highways

"range from narrow footpaths to highways capable of accommodating vehicular traffic. Some of these highways provide opportunities to access the rear of properties for illegal entry and concealment and cover for criminal acts and anti-social behaviour."

This Labour Government are tackling this problem in a very real way, yet the Conservative Opposition are opposing these measures.

We are all familiar with the problems associated with abandoned and illegally parked cars, and the sale and repair of cars on our highways. Often, it is some of the best people, but who live in some of the poorest areas, who have to endure such problems. Cars that are put up on bricks for weeks and months on end constitute a real danger for small children. I welcome the measures in the Bill, which will streamline the action to be taken, but I ask that the Minister give me some assurance on this issue. When the police want to conduct a forensic examination of a stolen or vandalised car, its owner is sometimes charged for its impounding. That is wholly unsatisfactory, and I hope that this problem can be dealt with in Committee or in conjunction with the Home Office. People who have already lost out by having their car stolen or vandalised should not be further disadvantaged by being charged.

The issue of dog excrement sometimes gives rise to much levity. I have never understood why, as it is one of the most hazardous substances in our environment. Allowing one's dog to defecate in the street is a mediaeval practice, and I am amazed that it remains somehow socially acceptable. Contamination from dog excrement poses a considerable danger, particularly to children and to people's eyesight. I welcome the fact that we are making great efforts to combat this problem, and to point out to the public that allowing such things to happen without any regard to others is shameful.

I welcome the Bill's streamlining measure on stray dogs, but in my constituency the problem is also stray horses. My right hon. Friend the Minister for Rural Affairs and Local Environmental Quality, who will wind up the debate, also has this problem in his constituency. We have a legislative opportunity to ensure that horses that are taken in by local authorities are redeemable by their owners only if and when they pay the full cost. A penalty should be imposed if they have not ensured that their horses are kept in and prevented from causing a hazard on the highways.

The nuisance caused by lighting is also a very important issue. People are far too often disadvantaged by so-called security lighting that is not proportionate to the problem that it is designed to solve.

Finally, the Bill's provisions should be extended to Northern Ireland. It is a great pity that much of the good legislation that passes through this House does not apply to Northern Ireland. Scotland has a devolved Administration but Northern Ireland does not, and it rather looks as though it will not have one for some time. The wonderful regions of Northern Ireland and its rich coastline should be enhanced by this legislation. I hope that the Minister will commend that idea to the Secretary of State for Northern Ireland, because if the Bill's very helpful measures cannot be extended to Northern Ireland, a relevant order might be able to replicate them.

9.4 pm

Mr. David Drew (Stroud) (Lab/Co-op): I am pleased to contribute to the debate, even if I am the last Back Bencher to speak and many things have already been said. I am even more delighted to follow my hon. Friend

the Member for Thurrock (Andrew Mackinlay), the penultimate Back Bencher to speak, because there is so much sense in what he says. I have no intention of going over the same ground and I want to discuss just a few issues.

Even at this late stage, my hon. Friends remain somewhat bemused about a point I made in an intervention on my hon. Friend the Member for Sherwood (Paddy Tipping)—the extent of cross-party arrangements in local government, particularly in the Local Government Association, in the light of the fact that the official Opposition have decided to vote against the Bill on Second Reading. One of the advantages of finishing early is that the hon. Member for Vale of York (Miss McIntosh) will have every opportunity to urge her arguments. If she had a bag carrier besides the Opposition Whip, we might still be able to get the Opposition in place to persuade them of the merits of voting in favour of the Bill on Second Reading, even if, quite rightly, they call us to account in Committee.

Politicians are to some extent catching up with the general public. For a long time, they have viewed quality of life issues as crucial to how they live their lives, so we need to catch up with them. In my area, an active community campaign was initiated by Liz Hall. I know that my right hon. Friend was able to respond to a debate initiated by my hon. Friend the Member for Gloucester (Mr. Dhanda), in which we examined the relationship between urban centres and surrounding rural or semi-rural areas. It showed how much we were dependent on each other. This lady, Liz Hall, off her own back about nine months ago, called a community meeting in her village of Harescombe, to which people in some of the other villages—Haresfield, Edge, Painswick and so forth—were invited. The aim was to consider why they were having so many problems with fly-tipping in the beautiful woods of Cranham, Edge and Sheepscombe. The meetings continue to this day; in fact, there is one tomorrow. If I can get away from this place, I would like to attend it to advance some ideas on how further to bear down on an unacceptable form of antisocial behaviour.

We needed to persuade the Environment Agency that this was a good area in which to undertake a pilot project, and through the offices of myself and others, that persuasion did take place, which is very pleasing. I hope that the Minister will recognise that the Environment Agency is geared up for the legislative change and wants to make things happen, working in tandem with local communities and, dare I say it, parish and town councils.

I have already declared an interest as a town councillor. If I were not here tonight, I would be sitting in the town council's planning and transportation committee, and one of the matters that we would no doubt be considering would be fly-tipping. It is an ever-present problem in rural areas as it is in urban areas. I hope that we will reach a consensus as we go through the process and not sustain this false divide between rural and urban. It is quite simple: they face the same problems, albeit on a different scale.

I shall provide an example. This Sunday, after going to church rather early, I hope to work with others on clearing an old railway cutting, which unfortunately people have used for some time as a dump for all manner of waste. The problem is complicated by the fact that it is inhabited by the great crested newt. Anyone who knows anything about the great crested newt will know that it is a wonderful species that does not like being disturbed. You or I, Mr. Deputy Speaker, may not be partial to having the odd tyre, mattress or bedstead thrown over into our habitats, but the great crested newts are even less partial to that, so we will have to be very careful how we do it on Sunday. That is the nature of working together to try to solve these problems. The essence of the Bill is not the consensus that is beginning to evolve between the parties, but the consensus between communities, the Environment Agency, the police and local authorities.

Mention has been made of parish and town councils, but smaller district authorities such as mine in Stroud have taken on board the antisocial behaviour agenda. I pay tribute to its antisocial behaviour co-ordinator, Colin Peake, who has highlighted the need to deal with fly-posting. While I would not say that he has cleared our streets of awful posters advertising nightclubs, he has a way of taking down the details, going to clubs and saying that the posters are their responsibility. On a Sunday, he goes to car boot sales and collects all the placards, puts them in the boot of his car and reminds the people concerned that they might like to collect them. If they do it again the next week, action is taken. He has a clear rule: they can have the placards up for 48 hours, after which those concerned have to go and pick them up. Otherwise, they cannot put them up again. Colin Peake needs support; the Bill is about co-ordination and making sure that someone like him can be supported by the political class and by the community.

Clearly there is a resource issue—no one is pretending that these things are cost-free—but it will not be a great one if we can share the costs around. We must make it clear that the police being asked to take on additional responsibilities does not mean that another layer of authority is washing its hands of an issue and giving it to the police, and vice versa if we are talking about the care of stray dogs, for example. There is a need for genuine partnership, and that must be action, not just words.

Like all Bills, the proof will not be in the law or in the amendments that we table, but in how it is seen out there. As my hon. Friend the Member for Hartlepool (Iain Wright) said, it will take some considerable time until we begin to see the impact of the Bill. That does not mean that we should not be trying now.

Some of us would argue that we should have had the wherewithal to be doing this some time before, because quality of life issues are gaining salience, not as a result of a selfish motivation but because of people's pride in their community. We are a more materialistic society; therefore, there is more waste that we have to deal with, and we must deal with it at source. In these days of extreme weather changes, one sees, sadly, that some of the waste that is allegedly fly-tipped is down to the wind blowing people's refuse. We have to look at a better way of integrating waste collection and disposal with other services.

I hope that my right hon. Friend will look at the resource issue and at working with other Departments to ensure that the Bill does not merely have lip service paid to it. We must work with local government and the other levels of authority so that they get the message that the Government are turned on to this issue and want to

[Mr. David Drew]

make a change. We can envisage our different communities improving the way they look. Therefore, people will think that, for once, politicians are in touch with them and care about quality of life issues.

9.14 pm

Miss Anne McIntosh (Vale of York) (Con): First, I declare my interests in the Register that may be relevant to the debate, and add a further declaration: I chew chewing gum on occasion, but I can assure the House that I dispose of it in a socially responsible way. We have had an excellent debate. I hope that the Minister will have time to respond to all our concerns and those of his hon. Friends.

My party and I welcome the opportunity for full and proper scrutiny of the Bill, and we look forward enthusiastically to the Committee stage. As has been repeated numerous times, we believe that we should legislate less but better. I therefore fully support what my hon. Friend the Member for South Suffolk (Mr. Yeo), the shadow Secretary of State, has stated. While we cautiously welcome certain aspects of the Bill, that is tempered by our regret that it appears to be a hotch-potch of ideas. The phrase "eye-catching initiatives" springs to mind.

There is no evidence in the Bill of a joined-up approach to government. It straddles at least three Departments—the Home Office, the Office of the Deputy Prime Minister, who has obviously been engaged in other matters for the past week, and the Department for Environment, Food and Rural Affairs. The Secretary of State waxed lyrical about the new powers being granted to local authorities and the Environment Agency. However, she went so far as to say that while she was imposing and creating new offences and responsibilities, they should not be taken as duties. I hope that the Minister will take the opportunity to set out for the House's information what new resources have been allocated and what financial assessment has been made, particularly in view of the fact that the hon. Member for Thurrock (Andrew Mackinlay), sharing the view of the Law Society, pointed out that it will, in many cases, be the poorer and more deprived members of society, who are least able to pay, who will be penalised. The Minister will, I am sure, hope to confirm what the Secretary of State said about there being no additional resources and no pump-priming. Seemingly, therefore, there will be no recognition of the new powers and the increased costs.

The Secretary of State said that in certain instances the Bill relieves the police of powers in relation to nuisance. That raises the question whether it will transfer resources from the police to local authorities to enable them to use those powers. A constant theme has been requests to local authorities to take on more powers, but what recognition have the Government given to the costs of empowering local councils. For example, there is the need for staff training and providing staff with the tools to do the work set out in the Bill.

The regulatory impact assessment was laid before the House in December. It says that receipts given to local authorities for various aspects of the Bill would amount to a little over £3 million if there were to be a forecast 50 per cent. payment rate. At a forecast of 75 per cent., the receipts would be £4 million. We shall use the Standing Committee's scrutiny procedures to focus on that. Will the Minister satisfy the House tonight, however, on the question of there being only a 10, 20 or 30 per cent. take-up of fixed penalty notices? If income was not forthcoming, how would the local authorities and the Environment Agency be expected to pay?

Mr. Michael Foster: Can the hon. Lady confirm the contents of the James review, which suggests, I think, that DEFRA's budget should be cut by £500 million? Is she aware of the comments of the chief executive of the Environment Agency about what would happen to the local environment if those cuts took place?

Miss McIntosh: I hope that the hon. Gentleman will have the opportunity to sit with us in Committee to explore those issues in greater detail.

To return to our reasoned amendment, which I commend to the House and urge all right hon. and hon. Members to support, a number of Members this evening have raised problems in relation to powers to seize and remove abandoned vehicles. Can the right hon. Gentleman confirm whether vehicles can be removed immediately, without knowledge of who the registered owner is? In relation to clause 41, will he consider extending the power of immediate seizure of such vehicles to all white goods, including fridge-freezers, fridges and microwaves, following on the obligations to which his Government have signed up under EU directives, not least the waste electrical and electronic equipment directive?

One of the unintended consequences of the Bill relates to the implications for breakdown services. The current wording of the Bill leaves the provision of breakdown services exposed to actions that are surely not the primary intention of the Bill, as it implies that there are circumstances in which repair at the roadside following a breakdown or accident is not necessary. That raises the risk that the legislation could be used by authorities to justify the towing away of a vehicle to an off-road location in the interests of congestion management, following the provisions of the Traffic Management Act 2004, which grants such powers to local authorities and Highways Agency traffic officers. I am sure that the right hon. Gentleman will be aware of the concerns raised by the Royal Automobile Club and the AA and would wish to respond on that point.

As regards waste, what progress has been made on the sharing of police information relating to organised and illegal fly-tipping, particularly that including a criminal element? Will the right hon. Gentleman confirm that powers of arrest under clause 41 will extend to all forms of illegal fly-tipping? What consultation with councils will take place on fixed penalty notices? Many councils and local authorities have expressed concerns about how the provisions will apply, and are concerned that there will not be a full and frank consultation. Will he confirm that he has not unintentionally and inadvertently discriminated in relation to the immediate removal of abandoned vehicles from urban areas, which the Bill explicitly empowers local authorities to do, whereas in rural areas, landowners are to remove them at their own cost? Surely the Government would intend powers to be applied uniformly in rural and urban areas.

In relation to clause 41, can the right hon. Gentleman confirm whether raising the maximum level of the fine and the maximum level of imprisonment, as I mentioned earlier, will relate to all forms of fly-tipping, not just hazardous or non-hazardous waste? Can he also confirm that offences under clause 41 are arrestable offences, so that perpetrators of the crime, not just vehicles, can be apprehended and seized—*[Interruption.]* His colleague, the Minister for the Environment and Agri-environment, who is chuntering from a sedentary position, will be only too aware that the Environment Agency has said privately on a number of occasions that it or local authority enforcement officers are powerless if they cannot make a citizen's arrest, as the perpetrators of the offence can therefore escape the scene, and although the vehicle is seized, the perpetrators are free to acquire another vehicle and continue to commit the same offence. That is a glaring omission.

Clause 44 also relates to immediate seizure, and we would hope that an arrestable offence would be extended to those provisions. Clause 46 provides powers to stop and search a vehicle and its contents, but is again silent on whether the equal power of arrest in relation to suspected perpetrators will be granted.

I remind the House that the Government have been in power for almost 18 years—[HON. MEMBERS: "Eight years."] Eight years. I am glad that the Minister for the Environment and Agri-environment is paying attention. It seems like 18 years. They have been in power for almost eight years, but in 2003, litter increased by 13 per cent., and since 2001, chewing gum disposal has increased by 94 per cent.

Clause 18 relates to dropping or leaving litter on private land. Who will enforce it and who will place the additional enforcement obligation on the local authority?

Clause 19 empowers local authorities to set the level of fixed penalties. Will the penalties be fixed by statute or will they be subject to a national framework that sets maximum and minimum levels? We strongly urge the Minister to confirm that there will be full consultation before the levels are set and that there will be an opportunity for the House, as well as local authorities and businesses, to be consulted. Local authorities have expressed their concerns to us; some have found that the levels are set far too low to be effective.

I remind the Minister that in his written answer to me on 17 November he admitted that the chewing gum segmentation study, commissioned by the Chewing Gum Action Group, cost £60,170, yet under the Environmental Protection Act 1990, passed by the last Conservative Administration, fixed penalty notices can be issued to those who drop chewing gum and the current level is £50, so why are those penalties not being imposed? I remind the Government that the local authorities, such as Westminster city council, which actually apply the existing rules, tend to be Conservative controlled.

It will bring joy to the heart of my constituency neighbour, the hon. Member for City of York (Hugh Bayley), that clause 27 specifically defines as litter chewing gum, including bubble gum, and smoking materials, including cigarette and cigar ends. However, redefining gum in that way will place a huge duty on local authorities to keep streets clear of gum and other such material at all times. Is the Minister aware that that will impose a massive increase in street-cleaning costs?

The hon. Member for Plymouth, Sutton (Linda Gilroy) asked about the discussions we had held with chewing gum manufacturers. We are working extremely closely with the main chewing gum manufacturer, which is, I believe, in her constituency. The company wants to act responsibly—the words about producer responsibility are as much the company's as ours—and to reach consensus.

Linda Gilroy: Will the hon. Lady clarify what discussions she has held with the company on its view about fines? It is my understanding that the company would like clarification about that situation. The company is frustrated, because it takes responsibility for raising awareness and for education programmes, but it would like the fines regime to be improved.

Miss McIntosh: As the hon. Lady will be aware, I have already mentioned that the fines exist and I should be interested to hear from her—perhaps after the debate—whether her council imposes them where applicable. What is responsible in the case of that chewing gum manufacturer is that it seeks consensus with consumers and that it is trying to educate the primary users of chewing gum. I must confess that chewing gum has a certain dental function, and the company has an education policy and works through schools, scouts and guides. It is undertaking market-based research and is looking into more biodegradable forms of gum. It would be the first to accept the advice to consumers, which was followed religiously under the last Conservative Government but seems to be on the wane under the Labour Government: "Wrap it and bin it".

The least perfect option would be a purchase tax, but I wait with bated breath to hear what the Minister says about that. As I said, there is already a fixed penalty of £50 and it is regrettable that few councils impose it. I urge the Minister to answer this question: would not it be better to apply existing laws more effectively, rather than extending an all-round street cleansing policy? As was said earlier, no sooner has a street been cleared of chewing gum deposits than, a week later, the exercise has to be recommenced.

Hugh Bayley: Is the hon. Lady suggesting that because people start to throw chewing gum on the ground the following week, one should ignore it? Can she clarify for the House whether she is in favour of local authorities cleaning up chewing up from the streets or against that?

Miss McIntosh: Perhaps the hon. Gentleman can inform me whether the council shared by our constituencies, and those of several other colleagues, actually levies the fines that it is entitled to impose. Perhaps we should go on a publicity binge with the City of York council to ensure that it is aware of the fines that are available to it to impose.

Moving on to a more general policy for waste, further provision should be made to protect landowners from the unsolicited dumping of waste and litter on their land. Currently, the Bill is simply not clear. Local authorities

[Miss McIntosh]

should fine all those who illegally dispose of waste or litter on an equal footing, irrespective of whether it is disposed of on public or private land, or whether in urban or rural areas.

On the disposal of free printed matter, will the Minister explain whether that provision will extend to party political literature? If so, will there be unintended consequences on the freedom of speech? For the sake of repetition—I am unsure whether he heard that point—will he clarify the position on whether the provision relates to the disposal of free printed matter circulated by local parties?

In many regards, the Bill does not go far enough. Fly-tipping is a tremendous problem in urban and rural areas, and it continues to increase. The Environment Agency's officers should have the power of arrest. They should be permitted to have computer access to the Driver and Vehicle Licensing Agency database and to stop vehicles on public highways without the presence of the police. Without those powers, the Bill represents a hollow commitment in many respects.

I pay tribute to the most eloquent words of my hon. Friends the Members for Old Bexley and Sidcup (Derek Conway) and for Southend, West (Mr. Amess), who mentioned dogs. Their one omission was in not asking whether the Minister is aware that many of the dangerous injuries to stray dogs are caused by vehicles. The Bill is silent in that regard, and I wonder whether he has any proposal to firm up his provisions. By encouraging a programme of micro-chipping, the Government could have produced financial savings on the collection, kennelling, re-homing or possible destruction of unwanted animals. Does he have any intention to include a policy of micro-chipping?

On graffiti and general defacement, as my hon. Friend the Member for South Suffolk has mentioned, the Law Society and others have expressed concern about the fixed penalty notices. Will the Minister ensure that only fully trained and fully qualified officers will be authorised to issue such notices? Again, local authorities will be given the power to fine those who fly-post. Currently, the fines authorised are up to £75. Why do the Government not choose either to increase that fine or to penalise those councils that do not impose them? We suggest that the definition of what is unlawful under clauses 33 and 34 must be improved and that there should be a right of appeal. I hope that the Minister will make a commitment to holding full and proper consultation with all relevant bodies, including the Outdoor Advertising Association. Perhaps he will take time to explain to the House the Bill's implications in respect of moving advertising boards.

Mr. Patrick Hall: I have listened carefully to the hon. Lady list those points—she is perfectly entitled to make them and to ask the Government to improve the Bill, and so on—but I have heard nothing in what she or the hon. Member for South Suffolk (Mr. Yeo), who leads for the Conservatives on this matter, have said about any fundamental point of principle that justifies opposing the Bill on Second Reading. All the matters that they have listed can be dealt with in Committee. Where is the principled objection to the Bill?

Miss McIntosh: That leads neatly into my final point. We have a principled position that we urge the House to decline to give the Bill a Second Reading, for the reasons set out in our reasoned amendment. The fines are set too low. The powers are not real powers—they do not impose duties, as the Secretary of State told the House earlier. The procedures used are too cumbersome. The Bill fails to put rural and urban areas on an equal footing. It is unclear how fine revenue raised will be allocated. Will there be full consultation, not just with local authorities but with waste disposal companies? Will the Minister consider favourably our proposal that some of the moneys raised from fixed penalty notices should go to raising awareness of responsible waste disposal companies, so recycling the money rather than simply putting it into general local authority finances?

For all the reasons set out in my concluding remarks and our reasoned amendment, I urge hon. Members to decline to give the Bill a Second Reading and I commend our reasoned amendment to the House.

9.35 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): This excellent debate has illustrated why crime, disorder and local environmental issues are central and linked themes for this Government, for the Labour party nationally and locally, and for Labour MPs. The issues are inextricably linked and matter enormously to people in every part of the country, as has been illustrated by all the contributions from Labour Members to today's debate.

I am extremely disappointed that both the hon. Members for South Suffolk (Mr. Yeo) and for Vale of York (Miss McIntosh)—the hon. Lady is marginally more enthusiastic about the proposals than her hon. Friend—have missed an opportunity to rise above petty point scoring on an issue that is important to their constituents as well as to ours. The most absurd thing came at the end of the hon. Lady's speech when she tried to justify a so-called reasoned amendment, which looks as if it was written at a fairly exciting point during the office party, by saying that we should have more consultation. I had honestly expected some criticism from the Opposition over the fact that we have spent the past two years exhaustively consulting not just local authorities but everyone about the need to tackle the local environment and how to do that best. I was going to reply that it was that exhaustive consultation that had led us to such strong and vigorous proposals. The hon. Lady has missed an own goal. I feel compelled to answer the criticism that she could not even manage to make.

The Clean Neighbourhoods and Environment Bill shows the strategic, cross-Government approach that we are taking on local environmental issues that affect the quality of people's lives. The Bill tackles the important link between the state of the local environment, antisocial behaviour and fear of crime. Neglecting the local environment creates unease and a sense that "nobody cares around here", which can lead to escalating problems of antisocial behaviour. People want to live in communities that are not blighted by

litter, graffiti, fly-posters and burnt-out cars. Most people mention the state of their own neighbourhood when asked what is most important to them about the environment. People do care.

A few months ago, I joined Councillor Paul Murphy, the cabinet member of Manchester city council responsible for the environment, on day 99 of Manchester's 100 days' clean-up. I have undertaken environmental work with young people, and a couple of days seem quite long. Ten days sounds very long; 100 days seems courageous in the extreme. What did I find when I visited Manchester on day 99? Did I find exhausted staff and people who were demoralised by having bitten off more than they could chew? No, I found councillors and officers exhilarated by the exponential growth in community involvement—the engagement of local communities, the increasing activity as people realised that they had time to get involved and that the issue was being taken seriously by a strong local authority.

That visit also helped to form our view on the graffiti and fly-posting measures in the Bill. I commend Manchester and a number of other major cities, including Nottingham and Cardiff, which have taken a grip on the issue. We have tried to put together legislation that will help them go further in their aspirations to govern clean cities.

My comments are of course informed by events in my constituency in Cardiff, just as the contributions of my hon. Friends have been informed by those in their constituencies. I pay tribute to Linda Thorne, for instance, who was the deputy leader of the council until last year. She took enormous care in driving forward environmental improvement in the partnership approach. Councillor Clarissa Holland, in the ward of Splott, has worked with the citizens of Bayside. They have been affected by the ingress of youngsters from outside the area who have done an enormous amount of damage to the local community. The people of Splott made use of antisocial behaviour orders and exclusion orders, working with the police and the local authority. When I spoke to them a few weeks ago, they paid tribute to the difference that our measures had made by enabling the police and the local authority to improve their quality of life.

Like Manchester's 100 days, the Bill is about empowering local communities to take ownership of their environment and therefore their future. That is why the speech of my hon. Friend the Member for Sherwood (Paddy Tipping) was so telling when he illustrated, with the specific requests of his constituents, why it is so important that the Bill receive a ringing endorsement on Second Reading. Would it could be the case across all parties. It is sad that the Conservatives cannot see the importance of the measure.

My hon. Friend made the link to crime and antisocial behaviour. He rightly said that the Bill is a cornerstone for building better sustainable communities. He also rightly said that no one organisation or one Department can build cleaner, safer and greener communities. For that reason, I am happy to pay tribute to ministerial colleagues and officials at the Office of the Deputy Prime Minister and the Home Office and to others who have helped to create the joined-up approach and the contents of the Bill.

I thank my hon. Friend for his comments on my role in the creation of crime reduction partnerships. I regularly hear from senior police officers about the importance of that measure. Linking environmental degradation to crime and disorder will be equally important and help us to tackle all those issues.

My hon. Friend the Member for Worcester (Mr. Foster) gave specific examples of how badly designed footpath and lane access allows local people to become the victims of abuse. I can happily explain how we expect the measure to work. We expect local authorities to start by trying prevention. A variety of measures could be taken, such as local and community action to clean up a footpath, to improve lighting or to use sightlines. It could be a case of examining why there is a problem in the first place. There are other approaches as well, including the use of exclusion orders or antisocial behaviour orders.

Abusive play was a challenge in the Bayside example. Good people were affected by environmental damage linked to crime, and the exclusion order worked. All those approaches, including the engagement of a local neighbourhood watch, may make a difference and make closing off an alley unnecessary. There is no universal answer—no panacea or magic wand—to the problem, but we are giving a range of practical powers. When measures have been insufficient in local circumstances, and several hon. Friends gave examples of that, the local authority and the police, with the local community, will be able to use what is the right option locally. We are removing the constraints on solving the problems.

All contributions by Labour Members were based on experience back home in the constituency, as is my approach. That was in stark contrast to the speech by the hon. Member for South Suffolk.

Miss McIntosh: Will the Minister give way?

Alun Michael: Let me deal with the hon. Member for South Suffolk first.

The hon. Gentleman will vote against common sense and for an unreasoned amendment: It is extraordinary. He demonstrated that he has little understanding of the issues tackled by the Bill and clearly does not understand the importance of them in rural communities. I was sorry to hear him refer to individual and corporate behaviour because it is not another contributor to environmental problems, but at its heart. What we do as individuals and collectively is what creates either a healthy or a damaged environment.

The hon. Gentleman referred to ENCAMS, saying that there had been a 12 per cent. increase in litter. I am delighted he quoted that—I have been quoting it all year. I also quoted the other side of the story. Where partnerships have got together, an improvement of something like 20 per cent. has been achieved. The ENCAMS message is that we can make a difference provided we wake people up to the need individually and collectively to care for their neighbourhoods. ENCAMS also said that the main issue is about how resources are used. That came out of its research and findings last year. Campaigning and challenging people to think about their local environment can make a difference, too.

The hon. Gentleman referred to light nuisance, saying that he was concerned about exceptions. But when he was challenged repeatedly to name one, he could only

[Alun Michael]

mention lighting of industrial activities in our ports. There are safety issues relating to our ports and other transport areas. It was a pathetic response, just as it is a pathetic, unreasoned amendment.

Mr. Yeo: Will the right hon. Gentleman give way?

Alun Michael: Oh, I should be delighted.

Mr. Yeo: Will the right hon. Gentleman confirm that he regards the concerns and objections of the many thousands of people whose neighbourhoods are increasingly blighted by light pollution from ports as accurately described by the Government as pathetic?

Alun Michael: Is the hon. Gentleman saying that ports should work only in daylight hours? Is he saying that he would sweep away the exemptions that exist for safety reasons? He needs to do a little more homework.

The hon. Gentleman needs to do a little more homework on chewing gum, too, because he talks about producer responsibility. What is he going to do? Fine the producers? He was challenged on that, and his answer was, "I haven't a clue." He is afraid of fixed penalties because they might lead to fund raising. I make the point to him that, with fixed penalties, people contribute only if they have offended. If people do not offend, they do not have to pay. Secondly, I make the point that partnership works. Partnership has been demonstrated to reduce many of these problems.

The hon. Member for Vale of York raises detailed issues in a rather confused way, and she, too, has clearly not understood the wide-ranging nature of our consultation and the support for the Bill from local government. We will deal with many of the issues that she raised in Committee.

I have met Wrigley's on several occasions, and we included it in the working group, along with local government and others. The company is a good deal more positive now than it was earlier. I say that frankly; initially, it was reluctant to recognise just how important the issue is to many people in their local environment. We have sought a partnership approach with Wrigley's and others. We brought the company and ENCAMS, which proposes campaigns on these issues, together in what we hope will be a partnership approach towards an issue that is important to the industry and to local communities and needs to be tackled positively.

In a slip of the tongue, the hon. Lady referred to 18 years. She is, I am sure, aware that that is the period for which the Conservatives were in power, and at the end of it they were still blaming Jim Callaghan and Harold Wilson for everything that the Conservatives failed to do throughout those 18 years. We have a while to go before we stop reminding everybody of the failures of a Conservative Administration who cared little for the environment and abandoned it locally, nationally and internationally.

Miss McIntosh: In the spirit of co-operation that, I am sure, will pertain during the hours that we look forward to spending in Committee, may I bring the right hon. Gentleman back to my question? If funding for the measures is not raised through fines, how are local authorities to implement them? Will the right hon. Gentleman clarify the Secretary of State's assertion that these are powers, not duties? Are they entirely discretionary? Will the Government seek to enforce them?

Alun Michael: The hon. Lady has missed the point. I accept the courteous way in which she asked her question and I look forward to our debates in Committee. The point is that, at the moment, where there are no fixed penalties, local authorities have to go through the procedure of taking people to court, and where there are fixed penalties they come back to central Government. So, an area may have a problem that is leading to lots of fines being levied, but none of the money comes back to the local authority. If local authorities have a problem, they will now have the money in their coffers to continue to enforce penalties. It is a simple concept, and one that works.

Andrew Mackinlay: I do not know whether my right hon. Friend was, like me, bewildered when listening to the Conservative spokespersons saying that there are existing powers that should be enforced. They have not volunteered how, when and by whom those powers would be enforced even if they did provide a remedy, which they do not.

Alun Michael: I look forward to amendments and new clauses being tabled in Committee that will demonstrate more creativity on the part of Conservative Front Benchers than we have seen today. However, I should not be too hard on the Front Benchers as their efforts to find speakers could only force two fairly innocuous contributions—and by 7 o'clock, there was nobody on the Conservative Back Benches. In fact, to be completely accurate, there were no Back Benchers in the Opposition half of the Chamber by 7 o'clock.

It is a simple fact that the Conservatives do not understand the local environment. They are not interested in it, which makes it all the more absurd that they will vote against the Bill. The reasoned amendment is itself absurd: either its so-called reasons would negate the Bill, or they are reasons to support it. The arguments advanced by hon. Member for Southend, West (Mr. Amess)—one of those who was dragooned in by the Whips—seemed to have been culled from lobbying organisations. He painted himself into the libertarian end of the Conservative spectrum: he does not want to punish those who wreck the environment and ruin the lives of others in the community. The rhetoric he deployed made it clear that he had not read the Bill.

Mr. Amess: I assure the Minister that I was not dragooned into the Chamber—no Whip would try to do that. I wanted to speak in the debate simply because I think that the Bill is absolutely hopeless.

Alun Michael: I hope that the hon. Gentleman can do better in Committee, because he has not done well today. I was surprised by his support for the Law Society's opposition to fixed penalties. I hope that the Law Society will reconsider and agree that fixed penalties offer an efficient means of tackling problems without wasting the time of the courts, local authorities

and the police. I have just finished a period as the first Minister to serve on a jury, so I bring added experience to bear on the subject.

In contrast to Conservative Members, my hon. Friend the Member for Stevenage (Barbara Follett) reminded us of local people's passion and appetite for the measures and the vigour with which Labour MPs have explored the issues. The Bill is based on the experience of Labour Back Benchers, local councillors, the police, voluntary organisations and local people. My hon. Friend the Member for Hartlepool (Iain Wright) correctly linked cleaning up the environment to economic and social regeneration. Social and economic regeneration go hand in hand with an improved environment—it is called sustainable development.

The hon. Member for Guildford (Sue Doughty) made a positive contribution in which she stressed the shared responsibility that we all have for our environment. She made clear the Liberal Democrats' general support for the Bill, although she said that she would challenge and probe some issues in Committee, as she is right to do. However, she was not right to say that the Bill "jumps around". It is comprehensive, then specific: the unifying theme and central principle is that of joined-up action at local level and specific proposals are made on the various aspects. The Bill provides a real opportunity for local authorities, the police and the communities that are served by both to work together, and I hope that Liberal Democrats in local government will seize that opportunity.

The hon. Lady acknowledged the cumulative effect of individual decisions on littering and such things as gum stains. She also acknowledged the difference between responsible farmers and landowners and those who are part of the problem. I share her surprise at the Conservatives' opposition to the Bill—although I am also delighted by it, because it makes it clear that they do not understand what they are doing. She made an important specific comment about car alarms. In fact, car alarms can be silenced under the Noise and Statutory Nuisance Act 1993, which amends the Environmental Protection Act 1990 to include

"noise that is prejudicial to health or a nuisance and is emitted from or caused by a vehicle, machinery or equipment in a street".

The provision allows local authorities to enter or open a vehicle, if necessary by force, to silence a car alarm and to remove the vehicle from the street to a secure place. I hope that greater use of that provision will be encouraged by the Bill's comprehensive approach to alarms on premises.

The hon. Lady rightly referred to Travellers and their impact on some communities—something that I have experienced in my constituency. She also made the case for greater flexibility in deciding whether to contract out waste functions. Greater clarity in waste disposal targets and improvements brought about by the Government, particularly the comprehensive performance assessment, which has been mentioned several times, make the narrow requirement that the Bill will remove unnecessary. I look forward to discussing in Committee some of the other concerns that she highlighted.

My hon. Friend the Member for Waveney (Mr. Blizzard) called on local authorities to use the powers that are given in the Bill. I assure him that I believe that there is a strong will among local authorities to do just that. I sit on the Central Local Partnership, which is chaired by my right hon. Friend the Deputy Prime Minister. With my ODPM colleague, my right hon. Friend the Minister for Housing and Planning, we have co-chaired a working group with a variety of interests, including local government, on sustainable communities. The Local Government Association has been deeply involved with this work. I believe that it will strongly support not only the passage of the Bill, but its implementation to good effect throughout the country.

I believe that there is a will to use the powers that are set out in the Bill. Issues such as the comprehensive performance assessment will encourage that, as will the fact that a short while ago we published the third ENCAMS report. We never previously had a proper comparison year on year to tell us whether things were changing for the better or the worse. We now have that information. We also have best value performance indicator 199, which measures performance by local authorities. Finally, we have the annual survey of the use of fixed penalty notices. At present, there is a 70 per cent. response, but one that we want, with local government, to be improved.

The hon. Member for Ceredigion (Mr. Thomas) suggested in an intervention that the Government had not responded to the recommendation for access to Driver and Vehicle Licensing Agency data. He is incorrect, as the Committee was in the first instance. The DVLA makes available to local authorities a website for such inquiries. It started rolling out free online access to its vehicle records for inquiries about abandoned vehicles in September 2002. About 220 local authorities are now connected to the service. I would encourage local authorities that are not already making use of this facility to do so.

My hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) said that she was delighted that the Government had been brave enough to take on these issues. I was impressed by the findings of her constituency surveys that showed that two thirds of responses identified problems with litter, graffiti, gum and abandoned cars as priorities. Her constituents want the new laws that we are now providing.

My hon. Friend the Member for Morley and Rothwell (Mr. Challen) rightly referred to the determination of Labour councillors in Leeds to tackle local environmental issues. I have spoken to several of them about these matters. The powers do not require extra resources in general. We have made it simpler for local authorities effectively to undertake their work without placing greater weight on their responsibilities.

My hon. Friend referred to the accountability of parish councils, as did the hon. Member for Guildford. My confidence that we are adopting the right approach reflects the experience of the past three years. The National Association of Local Councils and the Society of Local Council Clerks, nationally and at regional level, have shown great leadership. That is reflected at local level by many parish councils.

I know that Conservative Members are not interested in parish councils, but we on the Government Benches are, and we are seeing their reflected performance as a result of local community leadership. There are about 7,000 parishes, and 10,000 if we take into account

[Alun Michael]

community councils in Wales. There are plenty of poor examples, but elected accountability is a requirement for a quality parish council. Peer support is helping to create a cadre of hugely effective parish and town councils.

My hon. Friend the Member for Watford (Claire Ward) said that antisocial behaviour in a community that wants to help itself requires the use of exclusion orders and antisocial behaviour orders. She is right. Having created antisocial behaviour orders at the Home Office, I am always happy to hear of their success. I have seen the orders make a real difference in local communities. My hon. Friend is right to say that no one measure will change everything and that proportionality and logic have to be brought to bear. I am saddened to hear of an obstruction put in the way of a local solution in closing off an access that is a problem in my hon. Friend's area.

Like everything, these powers will strengthen the ability of local authorities comprehensively to tackle crime, disorder and damage to the environment. I commend the Bill to the House.

Question put, That the amendment be made:—

The House divided: Ayes 151, Noes 356.

Division No. 27] **[9.59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Duncan, Alan *(Rutland)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mates, rh Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Ayes:
Mr. David Ruffley and
Mr. Crispin Blunt

NOES

Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Baker, Norman
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh A. J.
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byrne, Liam *(B'ham Hodge H)*
Cable, Dr. Vincent
Cabom, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael

Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cotter, Brian
Cousins, Jim
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Drew, David *(Stroud)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, Andrew *(St. Ives)*
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Hendrick, Mark
Hepburn, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kilfoyle, Peter
King, Andy *(Rugby)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Llwyd, Elfyn
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Moran, Margaret
Morley, Elliot
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Opik, Lembit
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Thomas, Simon *(Ceredigion)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Webb, Steve *(Northavon)*
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wills, Michael
Winnick, David
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*

Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. John Heppell and
Vernon Coaker

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on Second or Third Reading), and agreed to.

Bill accordingly read a Second time.

CLEAN NEIGHBOURHOODS AND ENVIRONMENT BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6), (Programme motions)

That the following provisions shall apply to the Clean Neighbourhoods and Environment Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 1st February 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming Committee

6. Standing Order No. 83B (programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Jim Murphy.]*

The House divided: Ayes 345, Noes 153.

Division No. 28] **[10.17 pm**

AYES

Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Baker, Norman
Barnes, Harry
Barrett, John
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh A. J.
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byrne, Liam *(B'ham Hodge H)*
Cable, Dr. Vincent
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cotter, Brian
Cousins, Jim
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Drew, David *(Stroud)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, Andrew *(St. Ives)*
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harris, Tom *(Glasgow Cathcart)*
Harvey, Nick
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Hendrick, M[illegible]
Hepburn, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Holmes, Paul
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kilfoyle, Peter
King, Andy *(Rugby)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew

Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCartney, rh Ian
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moore, Michael
Moran, Margaret
Morley, Elliot
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Opik, Lembit
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Starkey, Dr. Phyllis
Steinberg, Gerry
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Webb, Steve *(Northavon)*
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Roger *(Brecon)*
Willis, Phil
Wills, Michael
Winnick, David
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Mr. John Heppell and Vernon Coaker

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Duncan, Alan *(Rutland)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gibb, Nick *(Bognor Regis)*
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mates, rh Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Ottaway, Richard
Page, Richard
Paice, James
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Roe, Dame Marion
Rosindell, Andrew
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*

Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Thomas, Simon *(Ceredigion)*
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Noes:
Mr. David Ruffley and
Mr. Crispin Blunt

Question accordingly agreed to.

CLEAN NEIGHBOURHOODS AND ENVIRONMENT BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (Money resolutions and ways and means resolutions in connection with bills).

That, for the purposes of any Act resulting from the Clean Neighbourhoods and Environment Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) any expenditure incurred by the Secretary of State under the Act, and

(b) any increase attributable to the Act in the sums payable out of money so provided under any other Act.—*[Mr. Jim Murphy.]*

Question agreed to.

COMMISSIONERS FOR REVENUE AND CUSTOMS BILL (PROGRAMME) (NO. 2)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A. (Programme motions)

That the Order of 8th December 2004 shall be varied by the substitution for '13th January' of '18th January'.—*[Mr. Jim Murphy.]*

The House divided: Ayes 291, Noes 165.

Division No. 29] **[10.31 pm**

AYES

Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Anderson, rh Donald *(Swansea E)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Bailey, Adrian
Baird, Vera
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Cabom, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Caplin, Ivor
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael
Cook, rh Robin *(Livingston)*
Corston, rh Jean
Cousins, Jim
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Darling, rh Alistair
Dave[illegible], Valerie *(Bristol W)*
Davie, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Drew, David *(Stroud)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Hepburn, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, Margaret
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John
Illsley, Eric
Iranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Mountford, Kali

Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Oiner, Bill
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Owen, Albert
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Soley, Clive
Southworth, Helen
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Stoate, Dr. Howard
Stringer, Graham
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*

Tellers for the Ayes:
Mr. John Heppell and Vernon Coaker

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, John *(Billericay)*
Barrett, John
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Boswell, Tim
Brady, Graham
Brooke, Mrs Annette L.
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Cable, Dr. Vincent
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Chapman, Sir Sydney *(Chipping Barnet)*
Clappison, James
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Doughty, Sue
Duncan, Alan *(Rutland)*
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Foster, Don *(Bath)*
Fox, Dr. Liam
Francois, Mark
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Öpik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Paice, James
Paisley, Rev. Ian
Paterson, Owen
Pickles, Eric
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sanders, Adrian
Selous, Andrew
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Widdecombe, rh Miss Ann
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*

Tellers for the Noes:
Mr. David Ruffley and Mr. Crispin Blunt

Question accordingly agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

CUSTOMS AND EXCISE

That the Excise Duties (Surcharges or Rebates) (Hydrocarbon Oils etc.) (Amendment) Order 2004 (S.I., 2004, No. 3160), dated 2nd December 2004, a copy of which was laid before this House on 2nd December, be approved.—*[Mr. Jim Murphy.]*

Question agreed to.

Mr. Douglas Shave

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Jim Murphy.]*

10.43 pm

Mr. Robert Syms (Poole) (Con): The debate today is on Porton Down and the case of my constituent, Douglas Shave. I am pleased to have this opportunity to put on record a little about his experiences. He is not unique—the House has heard many similar stories in the past about how national servicemen were treated in the late 1940s and 1950s at Porton Down, and I am sure that Members will want to bring up this subject again on many other occasions. I have been struck since I managed to obtain the debate by the number of Members who have stopped me in the various Corridors of this House and recounted individual cases of people who went through tests and believe that that has had a detrimental impact on their health and on their lives.

I was hoping for the attendance of my hon. Friend the Member for Bournemouth, East (Mr. Atkinson), but he is stuck in traffic somewhere between here and an airport and sends his apologies. When I was carrying out research for this debate, I found that he had initiated a similar debate on behalf of his constituent, Michael Paynter, in 1996. However, I note the attendance of several Members in the Chamber. It is not unusual for only one or two Members to attend Adjournment debates held at this late hour, but there are half a dozen Members here and I know that they have all taken an interest in the topic and spoken on it in this place in the past.

The hon. Member for Bedford (Mr. Hall) is in his place and the Under-Secretary of State for Defence and I are happy that he should make a brief contribution after I have finished and before the Minister replies. No doubt he will sweep up some points that I may miss.

My constituent was born in 1931. He was called up for national service on 2 November 1949 and joined the Royal Air Force. He did his basic training followed by trade training and his final posting was as a leading aircraftsman at the education department at RAF Bicester. He was transferred to Porton Down on 8 August 1950, following a station notice requesting volunteers for common cold research—a story that we have all heard before. I know that those who have looked into the matter have said that it was one for local bases and that no notices have survived the passage of time, but my constituent was certainly under the impression that he was doing common cold research.

The advantage for Douglas was not necessarily additional pay or leave, but the fact that his family come from the west country—from Dorset—and Porton Down was a little closer to home. That is why he took the opportunity to volunteer at Porton Down.

Mr. Shave was at Porton Down between 8 and 14 August 1950. On 9 August 1950, he and three other national service volunteers were put into a chamber wearing gas masks. Following the introduction of the gas, the nerve agent GE—ethyl sarin—they were told to remove their gas masks. Further tests were carried out during the following days. Those facts were confirmed, in a letter of 16 March 1998, by Dr. Hall, who was then the technical director of the chemical and biological department of the Defence Evaluation and Research Agency at Porton Down.

My constituent states that soon afterwards he experienced skin problems that the RAF tried to treat. Unfortunately, there are no records of that. He was discharged in 1951 with an exemplary service record, which is on file. Since then, he has suffered severe eczema. Many national servicemen who went through those tests suffered neurological and a range of other problems, but severe eczema for 50 years is extremely painful.

My constituent has major scarring to his back. He told me that when he joined the RAF he had a face like a baby's bottom, but on occasions his facial eczema has been so bad that he has had to use make-up to cover it. It has been extremely difficult to deal with that problem over the last 50 years. He found it difficult to hold down employment with other employers. His first job, in the 1950s, was in management for Odeon-Gaumont theatres, but due to the severity of his facial skin condition he had to resign on 18 November 1954.

My constituent has suffered from recurrent ill health. As a result, he started up his own business in which he was successful. He has had a successful family life; he has a wife and grandchildren. It was only in 1998, when Dr. Hall, the technical director of DERA, told Mr. Shave that he had experienced sarin nerve gas, that he heard what the tests were about. It was quite a shock.

Mr. John Bercow (Buckingham) (Con): My hon. Friend's description reflects the experience of my constituent, Mr. Peter Carpenter of Haddenham, who went to Porton Down in 1951 for a similar purpose. To underline the point that my hon. Friend made, my constituent was given no protective clothing or gas mask—unlike the Army personnel who were similarly engaged but properly protected. He was taken to a field. He held a white rabbit in a cage and witnessed a controlled explosion. The rabbit had a seizure and died.

Subsequently, my constituent felt ill but was told by Army personnel and professors, who undertook no tests or examinations on him, that he would shortly be better and could return to his regiment. He suffered lost teeth, aches, pains and deteriorating joints and discovered only in the 1990s that he had been exposed not to the common cold virus, but to sarin. Is not that a disgrace?

Mr. Syms: My hon. Friend did very well to put on record the difficulties that his constituent has faced. There are many cases of people finding out very much later in life what happened to them, thus filling in part of the jigsaw of their treatment.

Mr. Shave has been a constituent of a number of MPs, including my hon. Friends the Members for Christchurch (Mr. Chope) and for Bournemouth, East (Mr. Atkinson), who have written to Ministers over recent years. Unfortunately, my constituent's application for a war pension has been dismissed. He is a member of the Porton Down Veterans Support Group, which has been very active. He is, frankly, amazed that there has not been a public inquiry or even an apology for how they were treated during their time at Porton Down. Standards were different in those days, but I do not understand why we should not look at what went on to try to find out more about what happened 50 years ago.

Some progress has been made. There has been openness in the release of DERA records from Porton Down. That is one of the reasons why my constituent has found out what happened to him, and the same applies in the case mentioned by my hon. Friend the Member for Buckingham (Mr. Bercow). A medical assessment programme has been set up. The Medical Research Council has offered to fund studies into the conditions suffered by Porton Down veterans. The Wiltshire constabulary has carried out an investigation.

Indeed, an inquest has been held into the death of Ronald Maddison, with a corner's verdict of unlawful killing. Following 64 days of testimony and 4,000 pages of documents, that was the jury's finding. That may be subject to judicial review, so the Minister may not wish to say much about it, but many of the veterans of that time certainly feel aggrieved that the Government are seeking a judicial review on a decision that they feel is a sign of hope for most of the rest of them. Indeed, I have received a number of e-mails. One of them was forwarded to me from my hon. Friend the Member for Woking (Mr. Malins), from Barry J. Barnes of Pirbright, Surrey, who was one of those who gave evidence to the Maddison inquest, and he wanted me to raise that issue.

Mr. Paul Tyler (North Cornwall) (LD): Is it not a fact that the Maddison case is crucial for all those who were affected—including the hon. Gentleman's constituent and that of the hon. Member for Buckingham (Mr. Bercow) and, indeed, others—because it shows that none of them gave informed consent? They gave consent, but it was not informed. In those circumstances, their consent must surely be null and void. That must be the critical legal issue, and it is why the Maddison case is so important for other victims.

Mr. Syms: The hon. Gentleman makes a very good point, and some of his constituents have suffered in this way, as have those of many Members. It may be for a longer debate in future when Members may have an opportunity to put all those individual cases, but people did not know what they were signing up to, and that may have had an impact on their lives.

I hope that the Minister will abandon the MOD line, set up a public inquiry and look into what happened to those young men. I certainly hope that he has had the opportunity to look into the case of my constituent, Douglas Shave, who did his duty by his country. I do not think that he had the full information, which may well have been the reason why he has suffered for 50 years from very severe eczema, which has been very painful and has certainly impacted on his quality of life. I am sure that the hon. Member for Bedford, who will make a brief contribution and whom I admire for his campaigning on this issue, will pick up any point that I have not picked up.

10.53 pm

Mr. Patrick Hall (Bedford) (Lab): I thank the hon. Member for Poole (Mr. Syms), as well as the Minister, through his private office, for allowing me a few minutes. Like the hon. Gentleman, I come to this issue through a constituent of mine—Mr. Peter Parker, who joined the RAF under national service and served as an aircraftman between 1951 and August 1953. Towards the end of his service, he recalls seeing an official notice seeking volunteers to attend CDEE Porton. His recollection is that both the notice and the advice that he

[Mr. Patrick Hall]

obtained that related to it was very clear that the process he faced posed no risk to his health and, indeed, that he would be serving his country by participating in a programme of research into curing the common cold.

Mr. Parker was assisted in his decision to volunteer by being offered a 48-hour pass, plus 10 shillings. He attended a gas chamber on 4 May 1953, and while there, 20 mg of the nerve agent sarin was applied to a piece of cloth on this forearm. That gave him a terrible headache for many hours. Thankfully he recovered and got on with the rest of his life.

Mr. Parker did not know that a potentially lethal nerve agent had been applied to him; nor could he have known that two days later on 6 May 1953, at the same place, aircraftsman Ronald Maddison would die from the same process. He did not know any of that until approximately three years ago when he received a telephone call from Wiltshire police under Operation Antler.

Mr. Parker is one of hundreds of Porton Down veterans, many of whom believe that what they experienced has had a damaging impact on their health. I accept, though, that we must await the outcome of the epidemiological study, which I am very pleased to note the Government are funding, but that is not the only issue. There is another important matter at stake: my constituent believes that he was deceived—that he was not in a position to give informed consent.

I believe that my constituent is right to want that issue to be addressed. I believe that he deserves an apology, and possibly compensation. Above all, what Mr. Parker, Mr. Shave and hundreds of other volunteers who passed through Porton Down over three or four decades deserve most is the truth. Given the circumstances, that has to mean an independent judicial and public inquiry. I have written to my hon. Friend the Minister about that. I hope that he recognises the force of the argument. In all decency, after 50 years, it is surely time for the truth to out.

10.56 pm

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): I congratulate the hon. Member for Poole (Mr. Syms) on securing this debate to discuss the case of his constituent, Mr. Douglas Shave, who participated in the service volunteer programme at Porton Down during the summer of 1950. I join him in welcoming other Members to this debate. There is a huge attendance for a late-night Adjournment debate.

The House is aware of the concerns of some of the former Porton Down veterans that have recently been widely aired in the media following the conclusion of the inquest into the death of Ronald Maddison. However, we should note that this debate is to raise the personal concerns of Mr. Shave. I intend to deal with the specifics of that case in my response. I hope, however, that the House will also reflect on the written ministerial statement that I made on 21 December. That set out the Government's position in relation to Porton Down and the legal process that is being undertaken.

Throughout Porton Down's history, some 20,000 volunteers have participated in the service volunteer programme, with many participating more than once. I mention that because it sets in context some of the numbers that have recently been reported. The past 30 years have seen more than 5,000 volunteers helping in the service volunteer programme, and currently between 100 and 150 volunteers a year are participating. The programme is aimed at ensuring that protective measures issued to our troops to counter the threat posed by chemical and biological weapons are safe and operationally acceptable prior to their introduction into service.

As part of the volunteer programme, some volunteers, particularly during the 1950s, were involved in studies to evaluate the effects of very low concentrations of chemical weapons agents such as nerve gases and mustard gas on the ability of unprotected personnel to operate normally. It is important to emphasise that the general purpose of the programme was not hidden. Other volunteers were involved in trials to develop effective clothing and medical counter-measures to protect service personnel, or to assess the ability of personnel to function with new equipment.

Not only was the programme essential; I know that the House will agree that it was also crucial that it was carried out in the safety of a controlled environment, with full medical and scientific back-up. I am in no doubt that the knowledge and the technology of the very complex field of chemical and biological defence could not have advanced without the contribution of volunteers participating in the service volunteer programme. I once again reiterate the gratitude that I and my predecessors have expressed towards all those who took part.

I am pleased to say that the vast majority of the service volunteers who participated in the programme are quite unconcerned about their attendance. Indeed, there is no evidence of any pattern of specific long-term ill health in former volunteers. A peer-reviewed paper has been published assessing the health of participants in the programme, as part of the independently run medical assessment programme based at St. Thomas's hospital. I note that Mr. Shave has been an attendee. The study concluded that there were no unusual patterns of disease or any unusual diseases occurring as a result of exposure to agents at Porton Down. Although I appreciate that that does not ease the suffering of Mr. Shave and others who suffer poor health, experience has shown that there is considerable value in providing reassurance where possible.

In addition to the medical assessment programme, we are also funding an epidemiological study being conducted under the auspices of the Medical Research Council. The study, which will track mortality and cancer incidences over many years, will conclude in 2006, and I can confirm that the results will then be published.

Given the ongoing level of publicity and media coverage regarding Porton Down volunteers, including the publication of Porton Down's free helpline number, which was initiated in 1998, I might have expected to receive a large number of inquiries for information. The reality is that that has not happened. Only just over 1,000 individuals have approached Porton Down for more information. I believe that Mr. Shave was one of the first to use the system.

Of those, like Mr. Shave, who have inquired about their involvement in the programme, some have done so out of curiosity or as a result of publicity, and others because they have health concerns. Whatever the motivation, once an inquiry is received, staff at Porton Down begin the painstaking search of numerous experimental record books for details of the particular inquirer's participation in the programme. Those details are sometimes complicated and often difficult to interpret, but every effort is made to provide the clearest explanation to the inquirer. A formal written response is sent to the inquirer, together with an invitation to visit Porton Down to view the original record books and discuss any concerns with current members of staff.

Although I do not believe that Mr. Shave has accepted this invitation, I know that quite a few former volunteers have done so, and indeed some have made several visits. I believe that these visits have been successful, not least because we have been able to give details at the same time of the services offered by the medical assessment programme and potential eligibility for war pensions.

One of the accusations, made by the hon. Member for North Cornwall (Mr. Tyler), relates to how the trials were conducted. Volunteers for the service volunteer programme were drawn principally from the three services and were recruited through notices posted widely at military establishments. In the 1950s and 1960s, intakes were requested from individual arms of the services at specific times of year. The precise mechanisms for recruiting volunteers were arranged by the services themselves, not by Porton Down.

I note that Mr. Shave previously said that he volunteered to participate in studies on the common cold and not nerve agents. However, the chemical and biological defence establishment at Porton Down has never carried out work on the common cold. That research was undertaken at a Medical Research Council unit on the other side of Salisbury. Extensive independent searches by the Wiltshire police during the five years of its Operation Antler investigation have been unable to locate any evidence to indicate that Porton Down scientists involved in the service volunteer programme recruited individuals on the pretext of common cold research.

Mr. Tam Dalyell (Linlithgow) (Lab): I was around as a national serviceman at the time and had indirect knowledge—although no direct knowledge—that the servicemen believed they were involved in research on the common cold.

Mr. Caplin: I welcome my hon. Friend's intervention, and indeed welcome him back to the House after his period away. However, the information that I have seen does not support his suggestion. I accept that there are different points of view. As the hon. Member for Poole said, we may well debate this subject again.

There have again been calls for a public inquiry. Although I appreciate the concerns of veterans, I am not convinced that a public inquiry is appropriate. It cannot address the central question of whether volunteers have suffered unusual mortality or illness. Only the study to which I have already referred can accomplish that. For this reason, we should await the conclusion of the study.

Dr. John Pugh (Southport) (LD): Will the hon. Gentleman give way?

Mr. Caplin: No, I am about to conclude.

Mr. Shave is recorded in the experimental record books as attending Porton Down for one week in August 1950 when he participated in a single study. That study involved Mr. Shave being exposed to a low concentration of the nerve agent GE, or ethyl sarin. The records detail the acute short-term effects experienced by Mr. Shave from five minutes to five days following exposure. After five days, the records state that he was fit to return to his unit. I understand that he was provided with a comprehensive letter from Porton Down in March 1998 detailing the entries in the experimental books. Subsequent to that I believe that he requested, and was provided with, copies of the entries in the experimental books and a further letter clarifying the dose of GE that he was exposed to. He then attended the medical assessment programme in April 2001 where he received a thorough and comprehensive medical examination.

I accept that Mr. Shave's application for a war pension was rejected. That was on the grounds that there was no connection between his skin condition and the trials that he took part in at Porton Down. Mr. Shave appealed against this decision, but I understand that he has not replied to letters from the pensions appeal tribunal. He was therefore informed in writing on 13 October that his appeal was struck out. However, the Veterans Agency will consider reinstating his appeal if he contacts it directly.

The Ministry of Defence does not appear to have had any further communication from Mr. Shave raising any specific concerns that he may have. I suggest that if he does wish to discuss any pressing issues he should accept the invitation to visit Porton Down and take the opportunity of an open discussion with Porton Down personnel. Perhaps I can rather cheekily suggest that he may wish to be accompanied by his Member of Parliament.

Question put and agreed to.

Adjourned accordingly at six minutes past Eleven o'clock.

House of Commons

Tuesday 11 January 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Welfare to Work Forum

Ann McKechin (Glasgow, Maryhill) (Lab): If he will make a statement on the operation of the welfare to work forum in Glasgow. [207428]

The Secretary of State for Scotland (Mr. Alistair Darling): The Government's measures, such as the new deal, have been very successful in moving people from welfare into work. However, more needs to be done and we will continue to work with the Glasgow welfare to work forum, as well as with others.

Ann McKechin: My right hon. Friend will be aware of the ambitious plans of the welfare to work forum to create 30,000 jobs in the city by the end of 2010. Given the current favourable economic conditions and, as reported in this month's *Insider* magazine, the massive growth in profits of the top 500 companies in Scotland, I believe those plans are achievable, but it will require the closest co-operation between all public agencies—here at Westminster, the local authorities and the Scottish Executive. Can my right hon. Friend assure me that his Department will be actively involved in working with the forum to achieve success for Glasgow?

Mr. Darling: Yes, I can. My hon. Friend is right: what is striking about the forum in Glasgow is the common interest between not only public bodies and others with a long history of trying to help people get into work, but also private sector companies, because they realise that it is in their interest that we expand the work force so that we have more people available for work. It is worth bearing in mind what has happened over the past few years with the new deal: in Glasgow, nearly 5,500 lone parents, 1,400 adults, more than 25,000 people with disability and 1,600 people aged over 50 have moved from welfare into work thanks to the new deal. Many other measures can be taken, but there is a big difference between 10 or 15 years ago, when the then Government either ignored unemployment or thought it an inevitable fact of life, and the situation today where there is universal determination to get as many people into work as possible.

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): The Secretary of State is right to acknowledge the valuable work that has been done both through the active labour market policies promoted by the Government and through the forum, as was rightly raised by the hon. Member for Glasgow, Maryhill (Ann McKechin), but does he not think it slightly strange that training providers are not part of the forum? He is right to say that the commercial sector has a part to play, but there are no training providers on the forum itself. Furthermore, there is no flexibility about some of the funding streams. Up to £90 million may be available to the forum but there is little flexibility in how it can use much of that money. Would not access to training providers and more flexibility in the use of funding make the Glasgow welfare to work forum even more effective than it is now?

Mr. Darling: I am sure that is something the forum would like to consider. I know that the hon. Gentleman, through his experience of chairing the Select Committee on Work and Pensions, will be well aware of the fact that the Department has shown itself open to looking at new ideas in relation to funding. Let me give him an example: the pathways to work programme, which has been very successful in pilot form in getting people into work, is being extended across the whole country and it will include Glasgow.

I know that my right hon. Friend the Secretary of State for Work and Pensions will continue to keep flexibility under review. The main thing, however, is to concentrate on getting as many people as possible into work, and, especially in Glasgow, the comparatively high number of people on incapacity benefit who really do need to be helped into work as quickly as possible.

Mr. David Marshall (Glasgow, Shettleston) (Lab): Does my right hon. Friend agree that the foundation for the welfare to work forum is the tried and tested new deal? Is not it the case that the Liberals opposed the funding of the new deal and that the Tories will abolish it? In contrast to those shameful policies, will the Secretary of State ensure that the necessary resources continue to be made available to tackle the scourge of long-term unemployment and to provide education and training to the youngsters who so desperately need it?

Mr. Darling: I agree with my hon. Friend. The new deal will remain the foundation of everything we do to help people into work. It is worth bearing in mind that employment in Scotland has risen by 174,000 people since 1997. Many of us in Scotland remember what happened in the 1980s and the early 1990s when hundreds and thousands of people were condemned to unemployment, we had a second generation of people growing up who had no experience of work and there was precious little help from the then Government. As for the Liberals, my hon. Friend is right—they are in favour of the new deal, but they were actually against the means of funding it, which is a typical Liberal attitude towards such matters.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): Getting people off incapacity benefit and back to work is an important part of welfare to work. Is the Secretary of State aware of the Citizens Advice Scotland

report entitled "Riding the Benefits Roller-coaster", which raised serious concerns about the rigidity of the existing system for incapacity benefit and concluded that claimants fall between gaps in the system when their conditions change? What are the Government doing to help people on incapacity benefit get back to work rather than penalising them?

Mr. Darling: As I said just a few moments ago, the Department for Work and Pensions has piloted a programme known as pathways to work, which is specifically designed to help people who are on incapacity benefit to get into work. The pilot scheme has shown that it is much more successful than conventional programmes, precisely because it offers help that is tailored to individuals. I visited a scheme in Renfrewshire a few months ago, with the First Minister, and we met a number of people who had taken part in the pilot scheme and had been got back into work. They had been given help and assistance that they would not receive under conventional schemes. That all shows that, when a Government are determined to work with others to help people into work who, historically, have simply been dumped by the system, we can make a very real difference. The fact that there are now record numbers of people in work, including people coming off incapacity benefit, shows why it is so important to stick with the new deal and not to do away with it, as the Tories would do, so returning us to the days of very high unemployment, when a whole generation of people were simply written off by the then Government.

Identity Cards

2. **Mr. Alan Reid** (Argyll and Bute) (LD): If he will make a statement on the introduction of identity cards in Scotland. [207429]

The Secretary of State for Scotland (Mr. Alistair Darling): So far as reserved issues are concerned, the introduction of identity cards across the United Kingdom is, of course, a matter for my right hon. Friend the Home Secretary. Decisions on the use of identity cards to access devolved services in Scotland are the responsibility of the Scottish Executive.

Mr. Reid: This most appalling Bill will give the Secretary of State dictatorial powers to order people to attend at a specified place and time to have their fingerprints and other biometric information recorded. Given the cost and time of travelling to the passport office in Glasgow from many parts of Scotland, will the Secretary of State assure the House that facilities will be available locally to allow people to attend to have fingerprints and biometric information taken—for example, at local post offices?

Mr. Darling: I am grateful to the hon. Gentleman for giving me notice of the question that he intended to ask, which I saw on page 6 of *The Press & Journal* today.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Have you got an answer?

Mr. Darling: It just about gave me sufficient time to find out the answer. I am glad to say that, as the House may be aware, the Home Office is piloting what will be necessary to implement the ID card scheme in Glasgow. One of the things that it is considering is a mobile facility to enable people to record their details without having to travel, in this case to Glasgow. In any event, when biometric passports are introduced, which, I think, will be in about 2008, it will be necessary for people to attend to have those details recorded. As far as I am aware, the Liberals are not actually against biometric passports, but—who knows?—we could be wrong about that as well.

I remind the House that the Bill provides for a database to be established to make it possible to have identity cards in the future. For my part, I cannot see anything wrong in principle with people being asked to identify themselves for various transactions. After all, most of us are asked to identify ourselves in respect of various transactions several times a week. It would be a tragedy if, at this stage, we were not to take those steps because they might be absolutely necessary in 10 or 12 years' time. If the Liberals had their way, the country would be ill-prepared to guard against security problems, fraud and so on. So what is proposed is entirely reasonable.

Rosemary McKenna (Cumbernauld and Kilsyth) (Lab): May I wholeheartedly agree with my right hon. Friend? [HON. MEMBERS: "Yes!"] None of us can have access to this building unless we are wearing an ID card, and I do not see that there is any problem with that. Most hon. Members take them off when they enter the Chamber, but I do not have a problem with wearing it whenever. Does my right hon. Friend agree that Scotland deserves to live in security, with protection from fraud and petty crime, just as much as the citizens of the rest of the UK, and that ID cards must therefore be introduced UK-wide?

Mr. Darling: Of course, the provision of identity cards is reserved to the United Kingdom Parliament—that is why the Bill applies across the whole country—but my hon. Friend is right: increasingly it will not be unreasonable to ask people to identify themselves if they wish to use public services. After all, as I said just a few moments ago, every one of us probably has to identify ourselves when we go to the bank and when we buy things in the shops, and that is not a great imposition.

In relation to security, increasingly, whether we like it or not, not just in this place but elsewhere as well, it will be necessary for people to be satisfied about the identity of individuals, and I do not think that there is anything wrong with that in principle. The problem that the Liberal Democrats have is that they are in favour of security in principle, but rather like their policy on the new deal, they are against the practical means of achieving it.

Mr. Alex Salmond (Banff and Buchan) (SNP): May I wholeheartedly disagree with the Secretary of State? Does he accept that if identity cards are compulsory for Westminster-provided services, they are then compulsory in Scotland, regardless of what Mr. McConnell and the Scottish Executive say? Can he confirm that the cost of introducing identity cards over the next 10 years in

Scotland is more than £500 million, enough to pay for 2,000 extra police officers in the communities of Scotland? What would make people in Scotland feel safer: a plastic identity card or extra thousands of police officers?

Mr. Darling: Of course, thanks to the money that we have made available to Scotland, because of the economic prosperity that has been built up over the past seven years there are more policemen in Scotland. There are also more teachers, nurses and doctors. So as far as public services are concerned, we can provide that.

In relation to identity cards, the fact that the hon. Gentleman disagrees with me comes as no surprise. It is hardly news that it may be necessary to have an ID card to access benefits, for example, in Scotland in future. Does he say that there is anything wrong with asking someone on benefits to identify themselves? The Scottish Executive have made it clear, however, that they do not propose to require the use of ID cards for accessing the NHS in Scotland. That is an entirely proper decision for them to take. However, I repeat the point: what is wrong in principle with people identifying themselves so that others are satisfied they are entitled to use services? I defy him to answer that. I see nothing wrong with that in principle and cannot for the life of me understand why he takes such a ridiculous attitude.

EU Fisheries Council

3. **Angus Robertson** (Moray) (SNP): What discussions he has held with ministerial colleagues on the outcome of the EU Fisheries Council in December. [207430]

The Parliamentary Under-Secretary of State for Scotland (Mrs. Anne McGuire): Colleagues in the Department for Environment, Food and Rural Affairs, the Scottish Executive and the Northern Ireland Office worked very closely in the run-up to and during the Fisheries Council in December. The deal they secured is a good one for Scottish fishermen. The Departments are working together and with the industry to implement the agreement. I am delighted that the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Exeter (Mr. Bradshaw), has joined us on the Front Bench.

Angus Robertson: I thank the Minister for her answer. She will be aware that past and current EU restrictions have led to the decommissioning and scrapping of seaworthy boats. Do the UK Government agree that it makes little sense to scrap boats when they have been offered to tsunami-hit fishing communities in south-east Asia? Commissioner Borg has said that emergency legislation could be brought before the Council of Ministers in the near future to fund the transfer of vessels and gear. Will the UK Government support that?

Mrs. McGuire: I congratulate the white fish producers' initiative on offering aid to the disaster area in south-east Asia. I give the hon. Gentleman every assurance that we will do all that we can to support that initiative.

Miss Anne Begg (Aberdeen, South) (Lab): What assessment has my hon. Friend made of the enhanced cod recovery programme? What difference will that make to ensuring the sustainability of the Scottish fishing fleet?

Mrs. McGuire: We must all recognise—I hope all hon. Members agree with this, although I have a niggling suspicion that the official Opposition may not—that the recovery programmes and the recent negotiations offer a sustainable future for our fishing communities. The House does not need to listen to me on this. Those in the industry have made a series of comments, including:

> "Fishermen now believe in the future . . . it has to be a future based on legality and long-term recovery plans".

I am only too delighted to identify who made that comment. It was Mike Park, vice-president of the Scottish Fishermen's Federation.

Mr. Calum MacDonald (Western Isles) (Lab): On behalf of west coast fishermen, may I express my appreciation to the Fisheries Minister for achieving for, I believe, the first time an increase in the west coast prawn quota, which is the bedrock of the west coast industry? I hope that that will be the first step towards further enhancements of that quota at future Brussels meetings.

Will my hon. Friend congratulate the west coast fishermen's association on the way in which it worked with marine laboratory scientists to develop new techniques to research the state of the west coast prawn stocks? That should be seen as a model of co-operation between scientists and fishermen in the future.

Mrs. McGuire: I am only too delighted to offer my congratulations. As some Members know, I take a great interest in the west coast prawn stocks. They did very well over Christmas, and made a lovely accompaniment to turkey and cranberry sauce at a Christmas dinner not very far from where my hon. Friend stays.

Mr. Peter Duncan (Galloway and Upper Nithsdale) (Con): Given the Minister's family interest in the issue, has she asked her colleagues for their views on why the fishing fleets of Norway, Iceland and the Faroe Islands are successful and are expanding while the Scots fleet has been decimated?

Mrs. McGuire: I suppose that the hon. Gentleman is still on a learning curve on fishing. There are different circumstances in different countries, but I also want to draw to the attention of the House the fact that, despite all the evidence to the contrary, the Conservative party in Scotland announced yesterday that it intends to withdraw from the common fisheries policy. The hon. Gentleman said that that is "not some silly proposal", but it is. If the Conservatives withdrew from the CFP, they would have to negotiate with a range of countries. Fish in the sea do not swim around with little flags saying "I'm a British fish" or "I'm a Norwegian fish". The Conservative party must get real about fisheries policy.

Mr. Duncan: The Minister must accept that the problem is that we do not have any fish swimming around, as the CFP has emptied our seas of fish. The

problems faced by Scotland's fishermen are almost exclusively the result of the CFP itself. The Scotland Office has a poor track record in standing up for Scotland's interest. Will it now do so, and recommend either to the Prime Minister or to the Chancellor, whoever is in charge this week, that he return fisheries policy to local and national control?

Mrs. McGuire: I am sorry that the hon. Gentleman does not accept that fish stocks have stabilised, although some stock levels are still critical. The conservation measures adopted in the various packages are beginning to work. Not only did the hon. Gentleman say that withdrawing from the CFP is not a silly proposal but he accused it of emptying the seas. If ever something was foolish, it is the way in which the Conservative party allows its Euroscepticism to undermine the good negotiations on fisheries policy and their outcomes, which have been accepted and applauded by the industry.

Mr. Duncan: I am glad that the Minister has become excited again during our annual exchange on fisheries. She is right—we will return our fisheries to local and national control, we will withdraw from the CFP, and Scotland's fishermen will be the better for it. Does she agree that the people best placed to manage Scotland's fisheries are fishermen themselves, not politicians in Edinburgh, London or Brussels?

Mrs. McGuire: The way to manage our fisheries stocks across Europe is to make sure that we have a balance between conservation and fishing. We must work together to ensure that the North sea continues to provide fishing communities across Scotland and the rest of the United Kingdom with a living, but the reality is that the hon. Gentleman's policy would do neither.

Energy Policy

4. **Mr. George Foulkes** (Carrick, Cumnock and Doon Valley) (Lab/Co-op): If he will meet the First Minister to discuss the requirements for a balanced energy policy for Scotland. [207431]

The Secretary of State for Scotland (Mr. Alistair Darling): I have regular meetings with the First Minister to discuss a wide range of issues.

Mr. Foulkes: But has the Secretary of State noticed that the people who are now objecting to renewable energy sources such as wind farms are exactly the same people who object to nuclear power and opencast mining, and are supported by Scottish National party MPs and MSPs? Is it not true that if they had their way, there would no sources for electricity generation and the lights would go out all over Scotland?

Mr. Darling: I agree with my right hon. Friend that the logic of the nationalists' position is that the lights would go out in Scotland, as they are against nuclear power, wind farms and opencast coal mining. It is difficult to see where the electricity would come from. Dare I say that perhaps they would import it from the hated England? Nationalist policy is nonsense and, as I have said in the House before, it is important that we have a balanced energy policy and that we can draw electricity from a number of sources. Renewable energy from wind farms is an important strand of that policy, but we must also pay regard to the important role played by nuclear power, as my right hon. Friend knows, given that he represents a seat in Ayrshire.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): The Secretary of State will be aware that the balanced energy mix will require significant growth in renewable generation. Allied to that, it is important that we get the regime right for transmission charging. The third proposal by the National Grid Company for renewable projects in the mainland highlands has caused serious concern about the viability of generation there, and we still do not have any proposals at all for projects in the western or northern isles. Will the Secretary of State pursue that with his right hon. Friend the Secretary of State for Trade and Industry and the chairman of Ofgem as a matter of urgency so that we in the isles are not excluded from the benefits of renewable generation?

Mr. Darling: I understand the hon. Gentleman's concern. The new scheme has the advantage of removing interconnector charges between Scotland and the rest of the United Kingdom. That will bring large benefits, which will also go to Scottish consumers.

The hon. Gentleman is right that we should not disadvantage generators. In particular, we should not disadvantage proposals for wind farms or wave power generation on the islands. Ofgem will reach a decision in February. I hope that it takes on board the legitimate concerns of generators and others in Scotland. We must ensure that electricity generation in Scotland can compete on fair terms with electricity generation in other parts of the United Kingdom.

Pensioner Poverty

5. **John Robertson** (Glasgow, Anniesland) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on pensioner poverty in Scotland. [207432]

The Parliamentary Under-Secretary of State for Scotland (Mrs. Anne McGuire): My right hon. Friend discusses a wide range of issues with the Chancellor of the Exchequer. My hon. Friend knows that tackling pensioner poverty is one of this Government's key policies.

John Robertson: In Anniesland, more than 13,500 pensioner households are receiving the winter fuel allowance and more than 5,100 pensioner households receive an average pension credit of £45. Will my hon. Friend ensure that the Chancellor not only continues that support for the poorest pensioners in our society, but does more for them?

Mrs. McGuire: I agree with my hon. Friend, whose constituency has one of the highest proportions of pensioner households in Scotland. He works assiduously to make sure that pensioners in his constituency get all their rightful benefits.

ADVOCATE-GENERAL FOR SCOTLAND

The Advocate-General was asked—

Devolution

16. **Annabelle Ewing** (Perth) (SNP): What devolution issues have been raised with her since 30 November 2004. [207422]

17. **Mr. Alan Reid** (Argyll and Bute) (LD): What devolution issues she has considered since 30 November 2004. [207423]

18. **Ann McKechin** (Glasgow, Maryhill) (Lab): What devolution issues she has considered since 30 November 2004. [207424]

19. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What devolution issues she has considered since 30 November 2004. [207425]

The Advocate-General for Scotland (Dr. Lynda Clark): Since 30 November, 67 devolution issues have been intimated to me: 36 devolution issues related to criminal matters, including pre-trial delay, self incrimination under section 172 of the Road Traffic Acts and satellite monitoring of fishing vessels; the remaining 31 devolution issues related to civil matters, almost all of which concerned prison conditions.

Annabelle Ewing: Is the Advocate-General aware of any discrepancy in the Scotland Act 1998 that means that it is essential for the Prime Minister to declare his stay with a pop star, but that it is not essential for the First Minister to declare his stay with a political pundit?

The Advocate-General: No.

Mr. Reid: The Advocate-General has said that 67 cases were notified to her. Will she tell hon. Members the number of cases in which she acted and the length of time that she spent doing so?

The Advocate-General: Many of those cases—for example, the pre-trial delay cases—were copycat cases in which I had examined the legal issues in detail in relation to other cases. In one or two of those cases I intervened and appeared in Privy Council to deal with the legal issues. Such matters depend on the type of issue and whether the issue has been raised before. I did not intervene on any of the particular issues intimated to me in the past month, but some of those issues have been raised in other cases, one or two of which I have intervened in.

Ann McKechin: My hon. and learned Friend will be aware that the Gambling Bill is currently passing through the House and that it has important implications for Scotland. What discussions has she had with the Scottish Executive about the regulatory regime in Scotland? In particular, the Government indicated on Second Reading that use class orders in England and Wales will be changed to separate bingo clubs and casino premises. Has she received any indications from the Scottish Executive on whether they intend to pass similar legislation to amend planning in Scotland?

The Advocate-General: The important matters that my hon. Friend raises relate to policy, not legal issues. Policy discussions would not normally be carried out by me but by the relevant policy Ministers, including my right hon. Friend the Secretary of State for Scotland.

It may be of some assistance if I give an overview of legal regulatory matters as I see them at the moment. My hon. Friend will be aware that although gambling is a reserved matter, Scottish Ministers exercise some powers as a consequence of Executive devolution. The Bill proposes that the Gambling Commission will regulate commercial gambling and issue operating and personal licences. There will be a right of appeal against that to the Gambling Appeals Tribunal. In addition, it is important to understand that licensing boards, which are devolved, will regulate the gambling premises and that the devolved planning structure will apply.

Mr. Carmichael: May I invite the Advocate-General to give some advice to her right hon. Friend the Secretary of State for Scotland on his power in the Crown Estate Act 1961 to issue directions to the Crown estate commissioners? I suggest that had he done so, the shellfish farmers in my constituency and elsewhere in Scotland would not have found themselves in the position that they did shortly before Christmas, when they were faced with massive increases in the rents that they have to pay to the Crown estate commissioners, who are the only possible landlord to whom they can turn.

The Advocate-General: I am always happy to give any advice that is asked for by colleagues.

CONSTITUTIONAL AFFAIRS

The Parliamentary Under-Secretary was asked—

Essex Magistrates Court

22. **Bob Russell** (Colchester) (LD): If he will review the procedures relating to the private finance initiative for Essex magistrates court. [207407]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): My Department continually reviews and monitors private finance initiative procedures for new court building projects, including plans for Essex magistrates courts, to secure the most effective and efficient contracts on behalf of the taxpayer.

Bob Russell: May I urge the Minister to take a personal grip on this particular issue, as the position to date has been absolutely lamentable? The time that has elapsed since the day that the decision on the private finance initiative for the new Colchester courthouse was taken is longer than the duration of the second world war. If Churchill can win a war in six years, why cannot this Minister build a new courthouse?

Mr. Leslie: It is certainly a challenge that I am tempted to take up. I have to say, however, that we are at an early stage in contracting for this private finance initiative. I understand the hon. Gentleman's keenness to see such older court facilities improved and to get on with the more exciting proposals that are on the table, but we have a duty to ensure, on behalf of the taxpayer, that the contractual arrangements that we enter into are fit and proper and efficient, and we are working on that.

Claims Handlers

23. **Paddy Tipping** (Sherwood) (Lab): What steps he is taking to regulate the activities of claims handlers. [207408]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): The claims management sector must be properly regulated. We have given claims handlers one last chance to put their house in order. If they do not, we will consider how formal regulation could be introduced in the context of our consideration of Sir David Clementi's report.

Paddy Tipping: Does the Minister accept that in coalfield areas such as mine, claims handlers are causing real difficulties by making unnecessary charges for coal health claims and raising unrealistic expectations about industrial injury claims, and that some of them seem to have intimate connections with firms of solicitors? Many of us do not want our constituents to continue to be ripped off in this way, so is this the last-chance saloon?

Mr. Lammy: Yes, it most definitely is. My hon. Friend will know that last year the Law Society did much work on this with solicitors' firms. The cold-calling, sharp practices and unfair preying on vulnerable people must stop. We have asked the Claims Standards Council to consider the situation and to work with the industry on getting its house in order. If it does not, we will regulate to deal with the gaps.

Mr. Henry Bellingham (North-West Norfolk) (Con): Am I right that one of the drivers of the proliferation of claims handlers is the no win, no fee rule, which has also led to a big increase in so-called ambulance chasers? What is the Under-Secretary going to do about contingency fees?

Mr. Lammy: The hon. Gentleman will know that a previous Administration largely introduced the contingency fee regime. We have tried to simplify the regulations. The Better Regulation Task Force considered the matter, we accepted many of its recommendations and we are moving forward.

Mr. Kevan Jones (North Durham) (Lab): Companies such as Industrial Disease Compensation Ltd., which is an unscrupulous claims handling firm in the north-east, cannot operate without close relationships with law firms, as my hon. Friend the Member for Sherwood (Paddy Tipping) said. Will my hon. Friend the Under-Secretary consider meeting coalfield Members of Parliament to discuss the issue? What representations will he make to the Law Society, which has a key role to play in ensuring that the act is cleaned up?

Mr. Lammy: I absolutely agree to meet Members who represent coalfield areas. I have regular discussions with the Law Society and have raised such issues with it in the past. I also have upcoming meetings. We take the matter seriously. As I said, the Government are actively considering regulation—but let us meet, continue the dialogue and ensure that we can bring the practice to an end.

Mr. Oliver Heald (North-East Hertfordshire) (Con): The National Association of Citizens Advice Bureaux issued a report last month on the claims farmers—unqualified intermediaries who are engaged in high pressure sales tactics and often mislead the public into ill-conceived litigation. If we consider that report with the comments that have been made, is it not odd that the Under-Secretary's policy is to allow those people to go further and take over or set up high street solicitors' practices? How will he tackle the abuses?

Mr. Lammy: The hon. Gentleman is confused. The Government's policy has been to ask Sir David Clementi to consider the issues and to act once we have examined his report. We have said clearly that we need the right provisions to ensure that there are no sharp practices on the high street. We are working with the Law Society. David Clementi has specifically considered those matters and we are dealing with the issue; the Conservative Government did not.

Mr. Andrew Dismore (Hendon) (Lab): I first raised the problems of claims assessors when I was elected in 1997, but the position has got worse. Claims assessors feed the myth of the compensation culture rather than present the facts. Would it not be more appropriate to regulate now, ask Clementi to reconsider the matter with specific reference to the proposed legal services board and suggest that claims assessors should be brought under its auspices in the same way as other people in practice? Is not the best advice to people who are injured simply to go to a reputable specialist personal injury lawyer, from whom they will get a much better deal than from the crooks?

Mr. Lammy: I know that my hon. Friend has campaigned on those issues for many years. I also know what the Association of Personal Injury Lawyers has said in the past few weeks about the matter. He knows that Sir David Clementi has just reported. We must examine the detail of the report, but we must also let the Claims Standards Council at least to have the opportunity to rectify the position.

Written Constitution

24. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What recent representations he has received on the establishment of a written constitution for the United Kingdom. [207409]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): I have received occasional representations on the establishment of a written constitution from some hon. Members in the course of parliamentary questions and debate. However, my officials have no record of any correspondence from the public on the matter since September.

David Taylor: The current British constitution is an amalgam of documents such as Magna Carta, Acts of Parliament, case law and convention. It provides little protection for the rights of citizens, and none for the legacy of Governments. Does my hon. Friend agree that in the face of the Conservative commitment to repeal the Human Rights Act 1998 on that far-off day when a Conservative Government are returned to office, all such future reforms must be entrenched in the British constitution so that changes can occur only through special measures such as super-majorities in this place or referendums in the country?

Mr. Leslie: It is not the case that most of our constitution is unwritten. Large parts of it are enshrined in statute law, including the human rights legislation to which my hon. Friend referred and the distribution of powers relating to the devolved Administrations. This is not just a question of the codification of a constitution; it is more about any reforms to it that are proposed. We have a series of reforms for improving the separation of powers between the legislature, the Executive and the judiciary, and they will be put before the House shortly.

Mr. Andrew Robathan (Blaby) (Con): If a written constitution were put in place, would the Minister's boss, the Lord Chancellor, who advocates constitutional change in the other place, still be required to qualify for his job by being either a friend or a former flatmate of the Prime Minister?

Mr. Leslie: I wonder whether that was a slightly facetious question. I suspect that it was, and I shall therefore not dignify it with a substantive answer.

Tony Wright (Cannock Chase) (Lab): The Queen once said that she found the British constitution a bit of a puzzle. Would it not help to clear up that puzzle if we began to write a lot of it down? As my hon. Friend the Minister said, this Government have done a lot more writing down of provisions on matters such as human rights and freedom of information. Although it might not have made much sense a long time ago to try to codify the constitution, surely we have now reached a point at which some kind of codification would be sensible. Could not the Government produce a draft, so that we could see what it might propose?

Mr. Leslie: With respect to my hon. Friend, we could spend a great deal of time and effort on such a codification, but I am not convinced that it would achieve a great deal, particularly when there are so many other pressing priorities for legislative time. We need to have an eye to what our constituents want us to spend time talking about in Parliament.

Mr. Eric Forth (Bromley and Chislehurst) (Con): Has the Minister acquainted himself with the work of the founding fathers in the United States, whose genius provided the Americans with a constitution that has protected them for more than two centuries from the kind of capricious changes that this Government have made to our governmental arrangements? Does the Minister agree that it would serve the British people well if we had a genius similar to that of the founding fathers to protect us from his Government?

Mr. Leslie: This Administration are doing a pretty good job of reforming and improving our constitution; in that respect, I think that we are trying our best. Just because a constitution is written and codified does not mean that it will not be amended or reformed, even in the United States. I do not therefore believe that this question rests on codification. The focus of attention should be more on how a constitution evolves and improves.

Clementi Review

25. **Vera Baird** (Redcar) (Lab): If he will make a statement on Sir David Clementi's review of the regulation of the legal profession. [207411]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): I refer my hon. and learned Friend to my earlier statement, made on Wednesday 15 December 2004.

Vera Baird: I thank my hon. Friend for that reply and I appreciate that some aspects of Clementi have already been discussed today. One recommendation that he makes, which has already been made by the Office of Fair Trading, is that the traditional rules on the way in which the legal profession is organised—with barristers being unable to go into partnerships, and clients having to go to a solicitor before seeing a barrister, for example—impede the public's access to cheap, high quality legal services. Does the Minister agree that access to legal services is very important and that non-access to them represents an element of social exclusion that we cannot tolerate? Does he also agree that some of Clementi's suggestions are capable—subject to safeguards about the independence of the profession—of expanding the availability of legal services to our client group, especially to poorer people?

Mr. Lammy: My hon. and learned Friend knows that we have broadly accepted the recommendations of Sir David Clementi, but we have to look at the de[illegible] She will also have heard the discussions that we [illegible] on the matter this morning. It is right that w[illegible] ways of getting outside investment into [illegible] and ways in which lawyers and non-law[illegible] together, but we have to have the right [illegible] place. We must therefore consider [illegible] introduction of legal disciplinary practice [illegible] to all the stakeholders involved, particula[illegible]er groups and members of the legal professio[illegible]

Mr. David Heath (Somerton and Frome) (LD): There might be some frustration among the general public at the time scale involved in introducing the regulatory and complaints proposals through a White Paper and the statutory process. In regard to the issue raised by the

hon. and learned Member for Redcar (Vera Baird) on legal disciplinary practices, has the Minister formed a view as to whether the "fit to own" suggestion by Sir David Clementi should be implemented by statute—and if so, at what sort of threshold—and whether a maximum stake should be set by law for outside interests in lawyers' practices?

Mr. Lammy: The hon. Gentleman's question cuts to the heart of the issues. We have not formed a view, but we are consulting and talking to ensure that we get any such outcome right. He is right that the safeguards regarding the "fit to profit" test are at the centre of the discussion, and if we are to have outside ownership we must get the balance right. We are consulting and talking and I have a round of meetings over the next few months so that we can get into the detail.

John Mann (Bassetlaw) (Lab): The Law Society yet again reiterated yesterday that it does not have the power to force solicitors to repay money to their clients if that has been erroneously deducted to a third party such as a claims handler. In what time scale can we expect action to stop that scandal?

Mr. Lammy: If there are particular problems, let me hear about them so that we can deal with them. My hon. Friend knows that the whole point of asking Sir David Clementi to examine the entire issue was so that we could get the statutory footing right. If the Law Society does not have powers, the Government can deal with that.

Mr. Jonathan Djanogly (Huntingdon) (Con): The final report of Sir David Clementi on the regulatory framework for English and Welsh legal services has been well received by most interested parties and certainly by the official Opposition. On the report's suggestion for designing a suitable regulatory system, are the Government in favour of model A, model B or model B-plus?

Mr. Lammy: I have now said several times that we got the report in December and that it is right for us to consider and consult on it. We have indicated that we want to move towards a White Paper, but let us get on with detailed discussions with the legal profession, of which the hon. Gentleman is part.

Mental Capacity Bill

26. **Mr. Ben Chapman** (Wirral, South) (Lab): If he will make a statement on the Lord Chancellor's recent discussions with the Archbishop of Cardiff on the Mental Capacity Bill. [207412]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): We have had an ongoing dialogue with the Archbishop of Cardiff and other stakeholders. The dialogue has been a success and has improved and reinforced the Bill. I undertook on Report to reinforce the Bill further, which is why we will amend it in another place so that when the best-interest determination relates to life-sustaining treatment, a decision maker must not be motivated by a desire to bring about a person's death, regardless of what would be in his best interests.

Mr. Chapman: Those of us who have been concerned about some aspects of what is overall a good Bill will draw some reassurance from what my hon. Friend says. Will he add to that reassurance by making it clear that the word "decision", as used in the Bill, covers omissions as well as acts?

Mr. Lammy: The reason we have continued the dialogue that we have held, especially with the Catholic Church, is to make the Bill better. We should not forget the many millions of people who will benefit from the Bill. It was because of the dialogue that we had clause 58 and were able to rule out euthanasia. It was because of the dialogue that we were able to strengthen aspects of the Bill relating to advance decisions and that we were able to establish that anyone with the motivation of bringing about death—that is at the heart of the discussion about omission—should not be able to do so.

Sir Patrick Cormack (South Staffordshire) (Con): Why does not the Minister get rid of all this jargon? Why does he not talk about conversations rather than dialogue, and why does he not ask his officials to write answers that he can read to the House that are written in the Queen's English and comprehensible to all those who listen?

Mr. Lammy: I hope that the hon. Gentleman understands that the decisions are important and that serious cases regarding life-sustaining treatment go through our courts each year. Whether he likes it or not, Law Lords and judges in the Court of Appeal spend a long time discussing such issues. I am sorry that he does not understand the legal position on life-sustaining treatment, but I give absolutely no apology for making that clear to the House.

Jim Dobbin (Heywood and Middleton) (Lab/Co-op): Is the Minister aware of the concerns of disability rights groups such as the "I Decide" coalition about the Bill, and will the Government take those concerns into consideration? Their concerns are similar to those to which Baroness Chapman alluded in her excellent speech, if he has had time to read it, in the debate in the House of Lords yesterday.

Mr. Lammy: Yes, I am aware of those concerns. This is a question of getting the balance right between those in the "I Decide" coalition who want to ensure that those who lack capacity and who are disabled have rights, and those who have taken up issues in relation to life-sustaining treatment. Dialogue has taken place because of that balance, and I am sure that we will achieve a compromise with which everyone is satisfied.

Magistrates

27. **Richard Ottaway** (Croydon, South) (Con): What plans he has to remunerate magistrates. [207413]

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): Although lay magistrates in England and Wales are not remunerated, they receive reimbursement for their travel costs and loss of earnings resulting from the discharge of their official duties. Further resources are not available to change that arrangement at this time.

Richard Ottaway: That relates only to certain magistrates, and it was a fairly mealy-mouthed answer to those who deal with 97 per cent. of the crime in this country. The Government impose a huge number of demands on magistrates who do fantastic work both inside the courts and outside, such as extra training in relation to antisocial behaviour orders. The reserve forces get bounties, and councillors get paid and only have to show their face in the council chamber once every six months. Why cannot the Minister remunerate people who do something useful in the community?

Mr. Leslie: Of course, I agree that magistrates do a fantastic job and we owe them a great debt for their role in the local administration of justice across the country. However, the hon. Gentleman's plan for remunerating and paying thousands of magistrates is not on our agenda right now. If the Conservative party proposes to add that to its list of spending commitments, that shows how hollow its commitment to the shadow Chancellor's supposed tax-cutting agenda is. It could not afford the plan and, in fact, it proposes to scrap pretty much all of this particular Department.

LEADER OF THE HOUSE

The Leader of the House was asked—

New Voters' Guide

36. **Shona McIsaac** (Cleethorpes) (Lab): What plans he has to send a new voters' guide to every 18-year-old. [207399]

The Leader of the House of Commons (Mr. Peter Hain): The Modernisation Committee, which I chair, recommended that the House devise a new voters' guide to be sent to all young people around the time of their 18th birthday. The House of Commons Commission has authorised further exploration of this proposal and has stated that it would not authorise the production and distribution of such a guide without the prior approval of the House, which I hope to seek soon.

Shona McIsaac: I thank my right hon. Friend for that answer. I wonder, however, whether he has read some of the research that reveals that turnout among first-time voters is low because many of those young people simply do not know what to do when they get into the polling station. Such a measure would therefore complement the work of many Members of Parliament, schools and colleges. Were the House to support such a measure, when would he anticipate a guide being sent to new voters?

Mr. Hain: I very much agree with my hon. Friend's point. Indeed, I recall an incident in the Islwyn by-election when I knocked on a door and an 18-year-old came to the door who asked me, "If I make a mistake in the polling booth, will they have a go at me?" She did not ask me what would happen if she voted one way or the other. There was therefore a degree of concern, worry and intimidation in her question. The sending out of a new voters' guide, possibly in your name, Mr. Speaker, would explain to every young person their democratic rights and opportunities and how to vote. Closing the gap between young people and Westminster would be a big boost for democracy.

Bob Spink (Castle Point) (Con): Would the Leader of the House consider sending, along with the guide, contact and surgery details relating to new voters' MPs?

Mr. Hain: I think that that is the responsibility of the House of Commons, but there is a good chance of that happening.

Regional Grand Committees

Mr. Lindsay Hoyle (Chorley) (Lab): If he will make provision for Grand Committees for each region in the UK. [207400]

The Deputy Leader of the House of Commons (Mr. Phil Woolas): As my hon. Friend knows, there is already a Scottish Grand Committee, a Welsh Grand Committee and a Northern Ireland Grand Committee, and the Standing Committee on Regional Affairs fulfils much the same function for England. It is open to the Standing Committee to meet to discuss a topic of concern to a particular region, and any Member for an English constituency may attend. My right hon. Friend the Leader of the House is open to suggestion for potential topics for debate.

Mr. Hoyle: That was an interesting answer. What we ought to be saying is that we should enfranchise Members in, for instance, the north-west following the rejection of regional government. There ought to be a way of making quangos accountable, and to provide the same benefits that Scotland and Wales have enjoyed in the House of Commons. It is only right for us to have a regional Question Time allowing us to make Ministers accountable to the Members who are affected by their decisions. Will my hon. Friend consider a trial programme for a region such as the north-west, which has a larger population and gross domestic product than Scotland? We could then judge whether there were benefits in the extension of such Question Times to other regions

Mr. Woolas: I certainly think that the north-west should be first to be involved in any such trial. That much is obvious to my right hon. Friend and me. My right hon. Friend agrees that those of us who represent English regions should have opportunities to debate regional issues. He would be willing to consider the option of English regional Grand Committees if there were widespread support for it, but it is not clear that such Committees would offer significantly more advantages than the current Standing Committee on

Regional Affairs. That Committee can and does debate issues of regional interest: for example, it last met to debate regional economic performance and the Northern Way.

When my right hon. Friend the Minister for Local and Regional Government canvassed on the idea of separate Standing Committees—first raised by my hon. Friend the Member for Pendle (Mr. Prentice)—it found little favour.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Can the Minister tell us how many times the Standing Committee on Regional Affairs has met during the seven years for which it has been meeting?

Mr. Woolas: I recall that when I was the Committee's Whip it was difficult to persuade many Members to attend, but it has held useful meetings on a number of matters—[HON. MEMBERS: "Answer."] I am about to answer. It has held meetings on a number of matters, including the important Northern Way economic strategy and planning policy—the regional policy raised by the hon. Gentleman's own party.

I repeat that this is a matter for Members in the English regions. If there is support for the idea of debating issues in the Standing Committee, that is open to the Committee.

Mr. Jim Cousins (Newcastle upon Tyne, Central) (Lab): Does my hon. Friend accept that we are faced with a growing accountability deficit? In the north-east, the regional development agency is engaged in discussions aimed at identifying a site for a mega-casino—one site somewhere in the north-east. No public accountability applies to those discussions and processes, which is unacceptable. Will the Government now address that?

Mr. Woolas: My hon. Friend has raised an important point relating to the accountability of regional bodies for regional decisions. That is why my right hon. Friend is encouraging participation in the Standing Committee.

Sitting Hours

Ms Meg Munn (Sheffield, Heeley) (Lab/Co-op): What recommendations he has made to the Select Committee on the Modernisation of the House for the future sitting hours of the House. [207401]

The Leader of the House of Commons (Mr. Peter Hain): The Modernisation Committee published its report on sitting hours this morning. A copy has been sent to every Member. It recommends that the current hours be made permanent, with sittings beginning an hour earlier on Thursdays to accommodate more substantial business and rebalance the sitting week. I intend to give the House an opportunity to reach a decision on our future sitting hours in the next few weeks.

Ms Munn: I thank my right hon. Friend for his answer and congratulate the Committee on its report.

Does my right hon. Friend agree that at a time when the Government are requiring public services such as the health service to modernise, it would be very negative of the House to vote to return to its former ways of working, rather than seeking to balance the unique role of Parliament with more modern ways of working that better reflect the experience of the constituents whom we represent?

Mr. Hain: I could not agree more with my hon. Friend. It would be wrong for this House to revert to the working hours of the Victorian era. We should reflect modern working practices and that is what the Committee recommends.

Mr. Oliver Heald (North-East Hertfordshire) (Con): It should not be for the Modernisation Committee to lecture the House—*[Interruption.]* The responses of Members of Parliament to the Procedure Committee's questionnaire showed that only—*[Interruption.]*

Mr. Speaker: Order. There is too much conversation among the Whips, who have been talking for the best part of half an hour. It is going to stop, or the hon. Member in question will be removed from the Chamber.

Mr. Heald: Thank you, Mr. Speaker.

Only 31 per cent. of Members wanted to keep the current Tuesday hours, while 65 per cent. wanted the House to sit on Tuesday evenings. Of course, there are some good things in the report that I support, but the plea that the Committee is making in respect of Tuesdays is a rather desperate one. Surely we are entitled to take our own decisions on these matters, and if the House takes the view that it is more convenient to sit on Tuesday evenings, it should be able to do so. Can the Leader of the House assure us that there will be an early vote on restoring Tuesday evening sittings?

Mr. Hain: I certainly can assure the hon. Gentleman that there will be an opportunity for an early vote. As he points out, there are deep feelings about the issue of Tuesdays, on which the House is divided. I had hoped to achieve a consensus through the Committee's work and through my prior consultations with many Members from all parts of the House—I thank those who took part—but it was not possible. In the end, the House will make the decision, but the view that the Modernisation Committee formed on this matter was a majority one. Its report is excellent and I commend it to every Member.

Mr. Peter Pike (Burnley) (Lab): Is it not a fact that the Modernisation Committee has considered all the evidence very carefully? The shadow Leader of the House said that Members want to sit on Tuesday evenings, and it is true that quite a large number want to take private Members' Bills then and to cancel all Friday sittings. The report recognises that this issue will have to be considered at a later stage, but is it not a fact that in focusing on the entire sitting week and the particular problems associated with Thursdays, the report has tried to give the House a balanced view, based on all the evidence submitted to it during the inquiry?

Mr. Hain: I agree with my hon. Friend. There was a strong argument in favour of shifting private Members' Bills perhaps to Tuesday evenings—indeed, probably a majority of Committee members were in favour of that idea—thereby making all Fridays constituency days.

But we did not want to do that in isolation from the wider issues associated with private Members' Bills, which is why the report reached the conclusion that it did. The point that my hon. Friend makes is important, in that it is wrong always to have, in effect, a lot of one-line business on a Thursday and to risk the danger of becoming a House of Commons that sits for only part of the week. That is why we recommend sitting for an additional hour on Thursdays, and I hope that the House will support that recommendation. Doing so will enable Second Readings and Opposition days to be taken and a rebalancing of the week, so that we work a full week and go back to our constituencies on Fridays.

Hunting Act 2004

12.33 pm

Sir Gerald Kaufman (Manchester, Gorton) (Lab) *(Urgent Question)*: To ask the Secretary of State for Environment, Food and Rural Affairs if she will make a statement on the Government's policy towards applications in the courts for injunctions to delay or to prevent the commencement of the Hunting Act 2004.

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I am very grateful to my right hon. Friend for his question, because it enables me to provide the House with some clarity in respect of issues that have been rather muddled in the press and other media comment. It might assist the House if I explain the legal and policy background to this issue before coming to the specifics of what we expect to happen in court on 25 January. I shall deal in particular with the challenge mounted by the Countryside Alliance to the validity of the Hunting Act 2004, which is based specifically on its argument that the Parliament Act 1949 is invalid. We disagree. We do not believe that its challenge will succeed, and we will vigorously contest that challenge.

In view of some confused press comment, I must make it clear that what I am about to say has nothing whatever to do with any possible challenge under the European convention on human rights. Those who suggest that there could be a long delay in commencement from 25 January because of a human rights challenge are incorrect and misinformed, as incorporation challenges on human rights grounds are dealt with in our own courts under the Human Rights Act 1998. We do not have such a challenge as yet, but a challenge to the Scottish legislation failed, and we would not expect a different outcome here. In any event, human rights challenges are usually dealt with following commencement of legislation, and there are plenty of precedents. There are two possible avenues of challenge, and they are unrelated, as is our response to them. I want to be absolutely clear about that.

Let me now come to the Parliament Act challenge. The point of that challenge, to be heard on 25 January, is to allow the Countryside Alliance to promote its claim that the Hunting Act 2004 is not valid law. We expect that challenge to fail. It is only after the court has decided against that Countryside Alliance claim that any issue of delay becomes relevant. As the chairman of the Countryside Alliance himself made clear, lawyers have already discussed the next steps, as is quite normal in advance of a court hearing. Having failed, the alliance will seek leave to appeal to the Court of Appeal. If that is granted—it is a matter for the court—it says that it will seek an injunction to delay commencement of the Act from 18 February. As hon. Members are aware, that date is three months after Royal Assent, as provided for in the Hunting Act itself, and the Countryside Alliance intends to seek a delay until after its appeal has been heard.

I do not know what view the court will take, but we neither oppose nor support such an application if we reach that stage—and for two reasons. First, we want certainty, and supporters of hunting have claimed that there is uncertainty. The right place for their challenge is in the courts. We confidently expect to have our view that the Act is valid upheld. We expect the case and any subsequent appeal to be dealt with quite quickly, and no one will then have reason for any doubt whatever or for believing that they might be justified in undertaking activity that is, in fact, illegal. Secondly, we are relaxed because the date of commencement of 18 February was neither the Government's proposal nor what the House voted for. MPs voted for 31 July 2006. It is the Countryside Alliance and its representatives in the Lords, through what the media described as the kamikaze option, who rejected that date and insisted on retaining early commencement.

What is in the Act is a matter of fact, and it is for the courts to interpret what is in the Act. I suggest that any colleague who says, in effect, that those who made their bed must now lie on it, should also be relaxed and leave it to the courts. We are confident that the Hunting Act is valid and rightly fulfils the will of the elected Chamber of Parliament. We are confident that the result of the court hearing will uphold that view and do so soon, providing certainty for everyone on all sides of the debate.

Sir Gerald Kaufman: Will my right hon. Friend give the House an assurance that there have been no discussions between the Government and the Countryside Alliance on this issue behind the back of the House of Commons, which has expressed its will repeatedly by large majorities? Will he further confirm that, whatever the courts may be able to do, they are not able to change the text of an Act of Parliament, and the Hunting Act lays down commencement three calendar months after enactment on 18 November? Will he take it from me and many other Members that we are sick and tired of hearing two voices coming from the Front Bench on this dispute? The House of Commons has expressed its will that it does not want any fiddling or messing about: it wants this Act of Parliament to come into force and to do so without the Government conniving with the Countryside Alliance to prevent it.

Alun Michael: I urge my right hon. Friend not to give in to any temptation to believe that there are two voices coming from the Government, nor to indulge in conspiracy theories. I am happy to give him all the assurances that he requests on these matters. First, he asked what discussions had taken place. I have confirmed precisely what the chairman of the Countryside Alliance said: that there have been discussions between lawyers about what will happen when a case comes before the court. It is as simple as that. No other discussions are of any relevance whatever.

Secondly, my right hon. Friend asked about what the Hunting Act states. As I have made clear, it states that commencement will be three months after Royal Assent. It is not for me to say what the court will make of that. I simply do not know. Neither am I a lawyer nor do I seek to look into the court's mind. The court must do its work, just as this House did when it decided on the legislation.

Finally, I assure my right hon. Friend that the Government do not have two voices on this matter. There is only one voice. I have articulated the Government's position, which has been consistent

throughout. I am very pleased that many hon. Members who worked passionately to bring the Hunting Act into law believe that my approach, which I articulated in December, is right. We want the law to be clear. It is the Countryside Alliance, not the Government, that is attempting to cause confusion, and we want that confusion to be set aside authoritatively by the court. After that, let everyone obey the law of the land.

Mr. James Gray (North Wiltshire) (Con): There can be no precedent for the way in which the Government used the Parliament Act to ram through a Bill and then immediately briefed the press to the effect that they would not object to a judicial delay to its implementation. The Minister is right to say that that delay is a matter not for the Government or the Attorney-General but for the court. The Government's view is irrelevant and does not matter at all. In that case, surely the briefing given by No. 10 in advance of the Boxing day meets can be seen as nothing other than a grubby political ploy to avoid too great a political outcry in the run-up to the general election?

Alun Michael: That was a pretty pathetic attempt. The hon. Gentleman has introduced nonsense to the debate, and it is clear that he did not listen to the answer that I gave to my right hon. Friend. The Government did not ram through the Hunting Act. The House voted 10 times in 10 years for the essential content of what is a good piece of legislation. That should be respected, as we now have an Act of Parliament. The Countryside Alliance has every right to challenge it in the courts and to set out its beliefs in a proper and constitutional way. That is what is happening, and we should await the outcome.

The hon. Gentleman spoke about a briefing. I am not sure what briefing the Countryside Alliance gave. I first heard its chairman say that the issues had been discussed by lawyers from both sides on the "Today" programme, shortly before I had to respond to his comments. However, the hon. Gentleman, like the Countryside Alliance, likes to spread confusion. He should not be allowed to succeed.

Kate Hoey (Vauxhall) (Lab): I am sure that the Minister's contribution has clarified matters for everyone in the House, as his previous statements on the legislation have done. Does he agree that in a sense whatever the court or Parliament may say is irrelevant, as the Act as currently constituted is unworkable and will not bring an end to hunting?

Alun Michael: No, my hon. Friend is absolutely wrong. I am grateful to have the opportunity to contradict her in terms. The Act is workable and enforceable, and makes very clear what is banned and what people should not do because it is now illegal. Hunters are always described as normally law-abiding people. I hope that they will abide by the law.

Andrew George (St. Ives) (LD): It is important that the democratic will of the House is properly and rigorously defended by the Government. The Minister knows that a case was made at various stages of the Bill's progress for compensation for those whose livelihoods would be affected by the Act. As the Act is supposed to be implemented on 18 February, does he agree that if the Government had accepted compensatory measures—after all, it is an Act of Parliament, not an act of God, and livelihoods will be affected—the case for delay and the case being made by the Countryside Alliance would be considerably weakened?

Alun Michael: We do not accept that there is a case for compensation. *[Interruption.]* The hon. Gentleman and I have discussed that on a number of occasions. I have made my position clear. We do not believe that with commencement on 18 February, there is any justification for compensation. Our view is consistent with the view that was taken by the Joint Committee on Human Rights. Incidentally, people often say that the Joint Committee on Human Rights found that there were flaws in the Act. It did not, and that has been made clear in the House. Nevertheless, people attempt to spread confusion about that, so I am glad to make it absolutely clear. We recognised that some people's employment would be affected, so the later date for commencement—we proposed July 2006, and the House agreed with that proposition—would have given everyone time to change their activities, take up drag hunting and consider other ways of ensuring that employment could continue through other equine activities, and so on, but the case against compensation remains strong, even with the date of 18 February. That is not the issue today. The question of a challenge is nothing to do with human rights or compensation. It is to do with whether the Parliament Act 1949 is valid. We believe that it is. We believe that the Hunting Act 2004 is valid and sound, and we will say that clearly in the courts, as we have said in the House. We are being entirely consistent, as always.

Paddy Tipping (Sherwood) (Lab): Is not the sensible way forward for hunts to use whatever time is available to wind up their activities or make alternative provision in a thoughtful and sensible way?

Alun Michael: Yes, my hon. Friend is right. My advice to hunts—*[Interruption.]* I would advise hunts not to consider that the challenge might succeed, but to undertake such actions as are necessary for them to comply with the Hunting Act 2004, as passed by the House.

Mr. Speaker: Order. It seems to be the practice that whenever the Minister gets up to speak, certain hon. Members try to talk him down and shout across the Chamber. I will not tolerate that.

Mr. Henry Bellingham (North-West Norfolk) (Con): The Minister said a moment ago that the Countryside Alliance and its supporters in the Lords voted for an immediate ban. Which way did the Lord Chancellor vote?

Alun Michael: I am not sure what the relevance of the question is. It was the president of the Countryside Alliance who sought to frustrate the possibility of the House of Lords endorsing the date of July 2006 which was proposed by this House. The House has taken a clear and reasonable view. The Government have always sought to bring reason into a debate where reason is often in short supply. We continue to do so.

Tony Wright (Cannock Chase) (Lab): On a previous occasion, I suggested to the Minister that whether the Act was good or bad for foxes, it would be certainly be good for lawyers. He rejected the suggestion at that time. Does not his statement today confirm it?

Alun Michael: No, it does not. It confirms what I said before. We have always known that the Countryside Alliance would make two challenges—one on the Parliament Act and the other on human rights issues, although it has not commenced any such action. The Countryside Alliance has made it clear for several years that that was its intention, so it should come as no surprise to anyone. We believe that the outcome will be clear and simple in both cases and that neither of the challenges will succeed, so I still say my hon. Friend is wrong.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The right hon. Gentleman will doubtless remember the amendment on the Order Paper of 15 September in my name, which provided that if the legality of the Act should be challenged before the courts at its implementation date, the Act should not come into force until those proceedings had been disposed of. Would it not have been a great deal more transparent and, some might say, honest of the Government to have accepted that amendment, or at least its sense, rather than to embark on a wholly unprecedented device in order save their electoral bacon?

Alun Michael: No, that is a crazy approach. The right hon. and learned Gentleman suggests that we should anticipate challenges to legislation that has properly been put in place by the House. He may want to undermine the good law-making processes of the House, but I think it is for the House to pass legislation in a proper way and for the courts to do their job. Let us keep the two separate.

Mr. Gordon Prentice (Pendle) (Lab): Am I the only Labour Member to be fed up with the constant sniping by my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) at the Front Bench? I take the view that the Hunting Act that was passed is good law and we should leave it to the courts to decide how it should be implemented.

Alun Michael: I am grateful to my hon. Friend for his support. I would not criticise my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman), because by raising the question he has enabled the House to clarify things and to give less excuse to those on the Opposition Benches and in the Countryside Alliance who want confusion to prevail—but I agree with my hon. Friend.

Lembit Öpik (Montgomeryshire) (LD): The Minister hopes for clarity on the law, and I agree. Can he confirm that after the date of commencement, whenever it turns out to be, exempt hunting, drag hunting, exercising hounds, chasing away, searching and unintentional hunting will continue to be legal?

Alun Michael: I can confirm that the Act bans only those things that it bans. What people ought to do is to look at the Act, the provisions of which are clear. We are doing all that we can to ensure that people have clear understanding of the legislation, which is quite a challenge given the amount of misinformation that has been put out by those who do not like the Act. I suggest to the hon. Gentleman that the Act is much clearer than he seeks to imply.

Mr. John Redwood (Wokingham) (Con): What is the Minister's current forecast of the implementation date for the legislation, in the light of what he said in his statement about likely court proceedings and their timing? Will he assure his hon. Friends that he is desperately striving to get the Act implemented before the election?

Alun Michael: My current prediction on the date of implementation is 18 February. It will be a court decision, which I shall certainly not anticipate, as to whether there should be any delay to that commencement. We have already heard people say that there could be no delay because the legislation is clear and specific about the date of commencement—three months after Royal Assent—but that is a matter to be discussed if, as we anticipate, the case fails following the hearing of first instance and an application is made for an injunction. It will be for the court to decide, and I am happy to leave it to the court.

Mr. John Greenway (Ryedale) (Con): The right hon. Member for Manchester, Gorton (Mr. Kaufman) is right in one thing: there have been two voices from the Government. First, there was a Bill that would have allowed hunting to continue under licence, and then there was a Government Bill to ban all hunting. That is what has exasperated my constituents. Given that they will lose their livelihood through this wretched measure, surely they should be permitted, without interference from the Government, to pursue all their entitlements through the courts in the proper way.

Alun Michael: The hon. Gentleman ought to explain to his constituents how reasonable the Government have been in trying to find a less divisive way through this most divisive of issues. That is why I brought proposals to the House, with the support of the Prime Minister, as has been made clear on many occasions. The House voted for a different piece of legislation. It amended the Bill that I introduced and voted in the same way as it has on 10 occasions over 10 years. I respect that; so should the hon. Gentleman, and so should his constituents.

Mr. Peter Luff (Mid-Worcestershire) (Con): Does not the delay in implementation, at which I think the Minister has hinted today, give all those who are genuinely concerned about animal welfare—that includes the middle way group, which I think includes the Minister, although sadly not the right hon. Member for Manchester, Gorton (Mr. Kaufman)—a genuine chance to look again at any new evidence that has emerged since the measure became an Act of Parliament? In that context, will the Minister give a commitment to meet the middle way group to discuss its report on the welfare aspects of shooting foxes, which has passed the peer group review process and is established scientific fact?

Alun Michael: May I clarify the point absolutely? I have given no hint of delay; I have simply acknowledged our understanding that an application for a delay in commencement may be made by the Countryside Alliance when it loses its case at the hearing of first instance. I have made it clear several times that we are content to leave the court to look at the issues and at what the Act says and to take a decision on such an application.

The hon. Gentleman raised animal welfare issues. We are concerned about those issues, but it is important for those who support hunting to recognise that legislation is now in place and, even as they continue their challenge in the court—the right place to do so—to engage with animal welfare issues. It is for that reason that I shall seek to promote discussions, including animal welfare organisations and those involved in hunting activities, on issues relating to the welfare of horses and dogs that might arise from the implementation of the legislation, whether that is on 18 February, which is the working assumption with which we must stay, or whether there is a decision by the court that makes a difference to that expectation.

Mr. Edward Garnier (Harborough) (Con): I agree with the Minister this far: about the only clear part of the Hunting Act is the clause on its implementation date. Does not he think it regrettable that the Attorney-General and No. 10 allowed themselves to be quoted in the media discussing the implementation question? Would not it have been better to leave that to private discussions between the respective lawyers and the courts?

Did the Minister authorise the writing of the article in *The Sunday Telegraph* by his Parliamentary Private Secretary, the hon. Member for The Wrekin (Peter Bradley), which seemed to counter, shall we say, some of the arguments that the Minister urged—in good faith, I am sure—when he was piloting the Bill through the House?

Alun Michael: First, the hon. and learned Gentleman, as a lawyer, should know that the whole Bill is clear. It makes very clear what is illegal following the date of commencement, and I hope that he and Opposition Members who have, in other circumstances, enjoined people to obey the law will encourage their constituents to obey the Hunting Act. The law is absolutely clear and the hon. Member for North Wiltshire (Mr. Gray) ought to read the Act and counsel his constituents to obey the law. I should be interested to know whether he still holds to his words about letting loose the dogs of war or whether he supports his other statements about people obeying the law. The Conservative party needs to be a little bit clearer than it has been up to now as to whether it is a law-abiding party.

The second point raised by the hon. and learned Gentleman was on discussions between lawyers on the two sides. I heard the chairman of the Countryside Alliance refer to those discussions and the alliance appears to have made it clear that it would apply for an injunction in the event of its failing in the hearing of first instance.

Finally, the hon. and learned Gentleman referred to an article in *The Sunday Telegraph*. Through the encouragement of some Opposition Members, I have received various pieces of correspondence from people who, like him, have clearly not read the interesting article written by my Parliamentary Private Secretary. I should be interested to receive comments and contributions from people who have actually read the article. I suggest that the hon. and learned Gentleman does so—he clearly has not done so as yet.

Guantanamo Bay

12.58 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr. Jack Straw): With permission, Mr. Speaker, I should like to make a statement concerning the return to the United Kingdom of the four British citizens detained at Guantanamo Bay.

Let me first recall the context. The attacks of 11 September 2001 were the worst terrorist atrocity that the United States, the United Kingdom and the whole world have ever suffered. In response to those attacks, a coalition of countries came together to launch a military campaign against al-Qaeda and its Taliban supporters, to remove them from their strongholds in Afghanistan and elsewhere.

In those operations, thousands of individuals believed to be al-Qaeda or Taliban fighters or their supporters were detained by coalition forces. The vast majority of those individuals were released, but those who were deemed to pose a substantial risk of returning to the conflict were sent by the United States to detention facilities at its naval base at Guantanamo Bay, there to be detained and questioned about their knowledge of al-Qaeda's activities. As a result, valuable information has been gained, which has helped to protect the international community from further al-Qaeda and related terrorist attacks.

Approximately 200 individuals have been released from Guantanamo Bay since their original detention. However, the United States Government believe that a number of detainees so released have returned to terrorism, demonstrating the dilemma faced by the United States in considering such releases.

Nine British citizens were among those originally detained at Guantanamo Bay. I and the Government as a whole have taken our consular responsibilities to those detained very seriously. British officials have visited them regularly, delivered messages and mail from their families and secured improvements in the physical conditions of their detention. I have made a written ministerial statement to the House following each of those visits.

I have also set out to the House on many occasions the British Government's consistent position in relation to these detainees and their detention. As the House will recall, discussions took place in 2003, led by my noble and learned Friend the Attorney-General on the UK side. The Government then requested the return of all of the British detainees held at Guantanamo Bay.

Five of the nine detainees were returned to the United Kingdom last March. In announcing their return to the House on 24 February last year, I said that the Government would continue to work to resolve the position of the remaining four British detainees: Feroz Abbasi, Moazzam Begg, Jamaal Belmar and Martin Mubanga. Since last March, the Government have been in regular discussion with the United States authorities about this. Foreign Office Ministers and I have also held a number of meetings with the families and lawyers of the four men and with their Members of Parliament, and officials have been in regular contact with them.

Following contact between the United Kingdom and the United States—involving, in particular, my right hon. Friend the Prime Minister and his office—and between United States Secretary of State Colin Powell and myself, the United States Government have now agreed to the return of all four men to the United Kingdom. That decision follows intensive and complex discussions to address United States security concerns. All the families have been informed of that decision this morning, as have their Members of Parliament.

The four men will be returned in the next few weeks. Once they are back in the United Kingdom, the police will consider whether to arrest them under the Terrorism Act 2000 for questioning in connection with possible terrorist activity. Any subsequent action will be a matter for the police and the Crown Prosecution Service. The House will understand that it would therefore not be right for me to comment further on that aspect of the matter.

I should like to assure the House that every practical step will be taken by the relevant United Kingdom authorities to maintain national security and to protect public safety. Throughout the period of detention of British nationals in Guantanamo Bay, the Government have sought to balance the need to safeguard the interests of Britons detained overseas with our duty to meet the threat from international terrorism.

Terrorism is opposed to the values of every faith and religion, and seeks to deny the most basic of human rights—the right to life, to security and to go about our daily business free from harm. Working with our allies, we will continue resolutely to defend those rights through a robust and determined approach to combating terrorism and its networks of support wherever these are found.

Mr. Michael Ancram (Devizes) (Con): I thank the Foreign Secretary for advance sight of this statement.

I welcome the announcement of the return of those four British citizens. The Opposition have unremittingly supported the fight against terrorism, but equally, we have always believed that such a fight must be conducted within the rule of law. We have for some time expressed reservations about detention without due process or trial at Guantanamo Bay—reservations recently given even stronger expression by the United States Supreme Court.

Although those are the last of the British citizens being held at Guantanamo Bay, our reservations in principle remain, as they involve a strong ally with whom we are rightly continuing to work closely in Iraq and Afghanistan. In that regard, while fully accepting the United States dilemma to which the Foreign Secretary referred, what further representations will he make to our American allies about the process of detention at Guantanamo Bay?

My general welcome of this announcement still leaves serious questions to be answered. Given our concern that justice by due process is done in relation to those four, what assurances can the Foreign Secretary give that they will be subjected to normal due process in this country on their return?

The British public must be protected from terrorists. Is the Foreign Secretary satisfied in general on the information available to him that, on their return, those four will not pose a threat to the security of this country or its citizens? What assurances can he give that the

protection of British citizens from the threat of terrorism will not in any way be undermined by the release, as opposed to the return, of those four men?

Those men were taken into custody by United States forces in the chaotic circumstances of post-Taliban Afghanistan and near the notoriously unpoliceable Afghanistan-Pakistan border. Has the Foreign Secretary established to his satisfaction the circumstances in which those four were originally apprehended?

The detention facility at Guantanamo Bay did not just raise serious concerns at the process by which people were detained there. Serious questions have also been raised about the treatment of detainees. For instance, one of them, Moazzam Begg, alleges that he was the victim of torture. Obviously, that is a most serious allegation. Can the Foreign Secretary confirm whether the detainees will be asked not only about any allegation against them, but about the conditions that they underwent at Guantanamo Bay?

Does the return of those four bring with it any assurance that no British citizen will in future be held in Guantanamo Bay or in similar circumstances elsewhere without due process? Indeed, will the Foreign Secretary assure us that there are currently no further British citizens being held anywhere else in similar circumstances?

Winning the fight against terrorism requires us to win too, the fight for hearts and minds, both in Britain and in the Muslim world. In the struggle against terrorists, the balance between security and liberty is notoriously difficult to strike. The first duty of the Government is to defend their people, but was not the late United States President Eisenhower right to warn:

"We must not destroy what we are attempting to defend"?

Mr. Straw: I am grateful to the right hon. and learned Gentleman for the welcome that he has given to the release of those four gentlemen. Let me try to deal with his points in turn. We have an immediate locus in so far as our consular duties are concerned in respect of British citizens. With their return to the United Kingdom, representations about the specific conditions at Guantanamo Bay in respect of the British citizens will obviously come to an end. However, as members of the international community and signatories to various international conventions, we remain concerned about the conditions in which individuals have been, and continue to be, held there, and within that context, we will continue to make representations about them.

The right hon. and learned Gentleman asks whether normal due process will apply to those individuals when they return. Yes, of course, and I made that clear. He asks whether I can guarantee that those individuals do not pose a threat to the security of the United Kingdom. We have in place strengthened anti-terrorist legislation, including the Terrorism Act 2000 and the 2001 legislation. Those laws exist to ensure that those who pose a threat to the security of the United Kingdom are dealt with effectively. I will certainly not prejudge the guilt of any individual in advance of investigation by the police, the Crown Prosecution Service and the other appropriate authorities.

The right hon. and learned Gentleman asks about the allegations of mistreatment made by Moazzam Begg in particular. I am aware of those allegations, and I have already received oral representations about them by his family and his lawyers. We are pursuing those allegations with the United States authorities, and we will continue to do so. British consular officials visited the detainees on nine separate occasions in very difficult circumstances. It is fair to say that our officials, on my behalf, gave the British detainees a higher level of consular representation than did the foreign Governments of any other nationals who were held at Guantanamo Bay.

The right hon. and learned Gentleman finally asks whether I can be satisfied that no British citizen is held in any similar circumstance. The answer is that it is almost impossible to prove a negative, but I know of no other British citizen held at Guantanamo Bay in those circumstances; neither do I expect that any will be dispatched there.

Sir Menzies Campbell (North-East Fife) (LD): It appears that these men are about to be rescued from what has effectively been a legal no-man's land, and it would be churlish not to welcome that, but a number of questions remain. Why has it taken so long? What undertakings, if any, have been given to the United States Government about the way in which the men are to be treated once they return to the United Kingdom? What do the Government understand to be the state of health, both mental and physical, of these men?

Whatever the context, the truth is that the detention of these men violated all legal principle. Their civil rights were systematically and deliberately abused, and they were denied due process, a cornerstone of American legal jurisprudence. Has not this been a damaging episode which should never again be repeated?

Mr. Straw: I am grateful to the right hon. and learned Gentleman for his welcome for the announcement. I understand the concerns that he expressed so eloquently. It is important to understand the grave anxieties that arose in the United States following the 11 September atrocities, which was the first time that an attack by foreigners had taken place on its mainland in at least living memory. It produced the largest single set of casualties on the mainland since the American civil war. It has to be understood what a trauma the United States faced. There is no point dismissing that. It is a fact. The decisions that it made have to be seen in that context.

The right hon. and learned Gentleman asked why it has taken so long. It has taken this long to hold intensive discussions on the need for the United States to release the men and to recognise that they would be subject to our law, agreed by this Parliament, and no other law. That is what has happened. No side undertakings, which I think was in his mind, have been given to the US Government about how they will or will not be treated. They will be treated in accordance with the law. As happened with the five who were released last March, and as I said in my statement, it will be a matter for the police acting under the powers of the Terrorism Act 2000 to consider whether to interview them and detain them when they arrive in the UK, and a matter for the Crown Prosecution Service to take any action following on from that.

On the men's state of health, consular officials who visited them gave their own, but necessarily superficial and unqualified, assessment of the state of their physical

[Mr. Straw]

health. It appeared to be reasonable, but that does not amount to a qualified assessment of the state of their physical, mental or psychological health. That will be a matter for them and their medical advisers.

Donald Anderson (Swansea, East) (Lab): The House will understand the dilemma posed by my right hon. Friend, but he must surely agree that the Guantanamo Bay saga has been very damaging to the image of the west and reduces our moral authority in the world. Will any allegations made by those who are to be released, together with those in the dossier published last August in respect of the other five, be strenuously pursued by my right hon. Friend? Will he also confirm that our concern extends beyond our nationals to the principle of detention in Guantanamo Bay in general? How do the Government view the proposals of the US Government either to set up a special prison, Camp Six, within Guantanamo Bay, where people can be held without trial indefinitely, or to hold those people in prisons within their countries of origin?

Mr. Straw: Any allegations that the gentlemen make will be pursued vigorously. Indeed, we are already pursuing some allegations in advance of their release. I think I answered the question about whether our concern extends beyond our nationals held in Guantanamo Bay. The answer is yes, but obviously the context in which we can make representations is different. We can only do that in respect of individuals if they are British citizens.

On the process that the US Government have established, it was as a direct result of representations by us on two of the four detainees that they abandoned their efforts to take those individuals before the military tribunals, which we regarded as flawed in process. On the establishment of the special prisons, I have only seen the newspaper reports on that. It is a matter for the US Government. They will have to make the decisions and be answerable for them.

Mr. Hugo Swire (East Devon) (Con): The Foreign Secretary said that he was not aware of other British citizens held in similar circumstances in Guantanamo Bay. My right hon. and learned Friend the shadow Foreign Secretary asked whether he was aware of British citizens held elsewhere in similar circumstances. Will he answer the question?

Mr. Straw: I am aware of some British citizens detained elsewhere. I am not aware of British citizens detained in similar circumstances. That is the answer to the question.

Tony Lloyd (Manchester, Central) (Lab): Although I, like others, welcome the release of the men from Guantanamo Bay, the episode is nevertheless a dark stain on the reputation of the United States and has damaged our country's reputation throughout the world, particularly among Muslim nations.

My constituent, Jamal al-Harith, who was released last March, tells me that he has not been interviewed by the police since he arrived in Britain. He has certainly not been interviewed by Foreign Office officials or other domestic officers about the treatment he received in Guantanamo Bay; nor has there been an assessment of his mental or physical state of health. That is wrong. I would be grateful if my right hon. Friend could dwell on that. If we are to establish the facts that took place with respect to the four, it is important that proper interviewing takes place, including retrospective interviewing of my constituent.

Mr. Straw: My understanding is that each of the five who returned last March was interviewed by the police on arrival. I am as certain as I can be that that was the case. Police liaison officers were appointed for each of them.

As to whether we should proactively interview them about wider issues, it is normal for individuals who have complaints about treatment abroad to make those known to us, not directly, but through their Members of Parliament or solicitors. At that stage, we investigate them. It is my long experience that individuals are never slow in coming forward to make representations and we are always speedy and efficient in investigating them. It goes without saying that if my hon. Friend, the individual or his solicitor have concerns about his treatment which the individual thinks have not been made known to the British Government, we are happy to receive those representations. By definition, the concerns have to be initiated by the individual. We cannot second-guess his experiences.

Mr. John Gummer (Suffolk, Coastal) (Con): Does the Secretary of State accept that the very long time it has taken to get the United States to accept what surely ought to have been a natural reaction to representations by what has been her closest ally—even though many of us are unhappy about what we have done—casts doubt on the nature of the alliance? It is therefore important that he accepts the task of encouraging, pressing and pushing the United States to change its attitude to the kind of detention that has taken place in Guantanamo Bay. Its attitude damages the fight against terrorism because we have adopted there, as I believe we are adopting here, the very attitudes to human rights that we are trying to stop others removing.

Mr. Straw: Our position was different from that of the United States Government all the way through, and I set it out in the House on 24 February 2005, when I said that our overall position remained that the detainees should either be tried in accordance with international standards or returned to the United Kingdom. I do not think that the fact of Guantanamo Bay, difficult as it has been, casts doubt on the nature of the alliance. Indeed, had it not been for the nature of our alliance with the United States, we would not have got those nine detainees back. The issue of liberty and order and the way in which we deal with it is raised in its most acute form at times of war and terrorism. It is easy to defend ordinary human rights when the most important one—the right to life—is not under attack. When it is under attack, that defence becomes much more difficult.

I fully subscribe to the right hon. Gentleman's implication that we should never stoop to the level of the terrorists. However, it is accepted in the language of the European convention on human rights, many other international conventions and our own practice in the

United Kingdom that when that most basic right, the right to life, is under attack, democratic liberal Governments are entitled to take action which, in normal circumstances, they would not be entitled to take, to defend it, as without it all other human rights become completely nugatory.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): May I welcome the decision to release my constituent, Richard Belmar, who has been detained for three years without charge? I welcome the continued work behind the scenes by the Attorney-General and the Foreign Office while deploring the time that it has taken for the United States Government to respond. Many of my constituents, especially, but by no means exclusively, my Muslim constituents, have expressed the gravest concern about the suspension of due legal process. Without doubt, the existence of Guantanamo Bay has created perceptions in the Muslim community that due process does not apply equally to Muslims and non-Muslims. Can my right hon. Friend assure me that he will pursue a three-track strategy of providing proper support to the family of my constituent; ensuring that due process is followed in the event of any charges or investigation; and doing everything possible to assure my constituents that public safety remains paramount?

Mr. Straw: I thank my hon. Friend for her remarks. As with other hon. Members, she has been assiduous and tenacious in her representations on behalf of her constituent who was detained. On the issue of proper support for the family, most of that will be provided locally rather than nationally, but if there are issues of concern, I am happy to meet her to discuss them. The answer to both her second and third points is yes.

Sarah Teather (Brent, East) (LD): The news of Martin Mubanga's release is obviously hugely welcome for his family in my constituency, and I thank the Foreign Secretary for giving me advance notice of his statement. This morning, I spoke to Martin's family, who are relieved but also cautious. They are hardened, having steeled themselves for two or three years for bad news. They are unsure about how Martin will be on his return, given his allegations about torture and mistreatment while in Guantanamo Bay. However, there is not any news of my other constituent, Jamil el-Banna, a Jordanian refugee who is a long-time British resident. What efforts are being made to secure his release, and will the Foreign Secretary confirm that the Government will not seek to revoke his refugee status, as previously suggested by Ministers in the other place?

Mr. Straw: I am grateful to the hon. Lady for her remarks. I understand the caution of Martin Mubanga's family, who are bound to be worried until each of those individuals is on British soil and back with their families. I hope, however, that that will be in the very near future. I am happy to receive any representations that the hon. Lady and the family wish to make.

As for Mr. el-Banna, the House will be aware that in international law we only have the standing to take up consular matters in respect of British citizens. That is a fact of international law, and it applies to citizens and nationals of all third countries. It means that we cannot make representations on behalf of people, however long they have been resident in the UK, who are not our nationals. More to the point, the US Government, consistent with their obligations under international law, would not accept such representations. I know that that is frustrating, and I have seen the families of a number of people in that position, but that is the situation. On the issue of that gentleman's refugee status, I am afraid that I know nothing whatever about it and, in any event, it is not a matter for me but for my right hon. Friend the Home Secretary.

Geraint Davies (Croydon, Central) (Lab): I warmly welcome the statement by right hon. Friend on behalf of the family of Feroz Abbasi, who feared that he might be incarcerated in perpetuity without charge in Guantanamo Bay. Will my right hon. Friend confirm that, as the standard bearers of peace, democracy and justice, we will continue to fight for the rights of individuals to fair trial and fair treatment, whether in Guantanamo Bay or anywhere else in the world? Given the mental stress that the detainees have suffered for three years, will he ensure that there is a full evaluation of their mental health, and ensure that appropriate medical and financial support is provided for their rehabilitation? Can he reassure the British public that every effort will be made in future to protect both their security and their right to a fair trial, whether in Britain or abroad?

Mr. Straw: I thank my hon. Friend for his remarks. He, too, has been assiduous and tenacious in his representations on behalf of his detained constituent, Mr. Abbasi. On the issue of support, most of it, such as medical services, will be the responsibility of local medical authorities and local authorities. Our aim, not only in law but in respect of services to which those individuals are entitled, is that they should receive the same services as any other British citizen. Given the special circumstances of their detention of up to three years, I am happy to receive representations from my hon. Friend and to follow them up. On his final point, it has been difficult seeking to balance the security of the international community and this country with the rights of those individuals, but I have always believed that the approach of the British Government is the right one.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The right hon. Gentleman knows that I have pressed him many times in the House about the illegality of what the United States has done. Assuming that none of the nine is charged before a British court, would it not be right for the British Government to press the United States to compensate them for clearly illegal action? Would he also ask the prosecution authorities in this country to reflect before they prosecute any of the nine? If any of them were convicted and sent to prison, they would not get any credit for the time that they have been held unlawfully in Guantanamo Bay.

Mr. Straw: On the issue of compensation, if we receive representations, we will consider them, just as we do for other British citizens, and follow them up. If those people were subject to trial in this country and conviction led to their detention in prison, the question of whether they could be given credit for their previous

[Mr. Straw]

detention would not be a matter for me but for the learned judge in the case. The right hon. and learned Gentleman knows better than I the way in which that system operates.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): May I welcome the Minister's statement, and acknowledge the role that the Foreign Office played in securing the release of the three detainees from Tipton last year? Subsequently, however, those three and others have made allegations of torture and ill-treatment in Guantanamo Bay. Their perception is that the Foreign Office is not listening to them, so will the Minister give an undertaking that if they wish to present their allegations to him, he will meet them and, if necessary, make representations to the US Government?

Mr. Straw: First, the Foreign Office does listen to representations. A significant part of its job is making representations on behalf of British citizens who face consular difficulties, small and large. Secondly, I am happy to see my hon. Friend and the families concerned if there is time—if not, I will ask another Minister to do so—and if appropriate.

Mr. Edward Davey (Kingston and Surbiton) (LD): My constituent, Bisher Al-Rawi, was arrested on a legitimate business trip to the Gambia and has been illegally incarcerated for more than two years. In reply to my hon. Friend the Member for Brent, East (Sarah Teather), the Foreign Secretary said that he cannot make representations on behalf of people such as Bisher, who is not a British national but who has permanent residency rights in the UK. In the past, however, he and his officials have implied that the FCO is prepared to ask questions. That being the case, does he know whether the Americans plan to release people such as Bisher? If so, will he undertake to seek Bisher's release to the UK to face charges, if there is any evidence against Bisher?

Mr. Straw: I saw the hon. Gentleman and the family concerned. In that case, although the gentleman lived in the UK for many years and would be entitled to British citizenship, he voluntarily chose not to seek British citizenship and to maintain his Iraqi citizenship, although other members of his family chose to become British citizens. That situation creates a dilemma, and people must make a choice. We can represent British citizens, including those who are well qualified for British citizenship and who acquire British citizenship after birth. We cannot represent those who choose not to seek British citizenship and who make their own choices, presumably because they want to maintain the citizenship of their birth. That is the law of the land, and it is the law of the international community.

I went to the trouble of seeing the hon. Gentleman and the family and gave them a lot of time. Other Ministers and I continue to be available to meet hon. Members and families, whether the matter concerns British citizens or others, but the degree to which we can make representations in respect of individual cases is limited. We will continue to test the envelope on behalf of the hon. Gentleman and other hon. Members and their constituents. However, I do not want to raise hopes in cases in which the circumstances are very difficult.

Keith Vaz (Leicester, East) (Lab): I congratulate my right hon. Friend, the Prime Minister and the Attorney-General on their work—they have given us excellent news in advance of Eid celebrations, which will take place next week. Will my right hon. Friend confirm that if the detainees were subsequently to decide to pursue an action against the United States of America, Sir David Manning and his officials in Washington would give them and their legal representatives every possible support?

Mr. Straw: I am grateful to my hon. Friend for his remarks. If actions were taken against the US Government in the US, we would consider any representations, but we cannot make such decisions in advance.

Mr. Alex Salmond (Banff and Buchan) (SNP): Given that a Law Lord has described Guantanamo Bay as a position of utter lawlessness, will the welcome return of the four individuals under the rule of law bring about in a change in the Government's attitude to those detained without trial or charge in Belmarsh prison?

Mr. Straw: The position of those in Belmarsh is and always has been completely different from that of those detained in Guantanamo Bay, and it is ludicrous to compare either the conditions or the nature of the detention. The position of those held in Belmarsh is controversial, and it was at the heart of their lordships' decision. However, it is a fact that the individuals held in Belmarsh can leave the United Kingdom, if they can find another country to take them. That facility was never available to anyone in Guantanamo Bay, which all nine individuals would have left if the same arrangements had been in place. It is ludicrous to make any comparison whatsoever.

My right hon. Friend the Home Secretary is actively considering the future of detentions under part 4 of the Anti-terrorism, Crime and Security Act 2001, and he will make a statement as soon as he can.

Mr. Gordon Prentice (Pendle) (Lab): A few moments ago, my right hon. Friend said that he would consider applications for compensation. Will the Government consider making ex gratia payments, provided that those individuals are not charged by the police in this country for offences under the terrorism Acts? It seems to me that those individuals will live under a cloud and will be virtually unemployable.

Mr. Straw: We consider representations in respect of applications before the US courts. In this country, however, ex gratia payments are made by the British taxpayer in respect of unlawful detention by Her Majesty's Government. Those detentions were neither made nor approved by Her Majesty's Government, so the question of ex gratia payments does not arise.

Mr. John Redwood (Wokingham) (Con): How can it be that there is enough evidence to detain five people for many months, but not enough evidence to bring any

case against them under the terrorism Acts or other criminal legislation? Were the detentions mistaken, or does our terrorism legislation miss some important points and need to be strengthened?

Mr. Straw: There is a world of difference between the criteria adopted by the US Government to detain those individuals, most of whom were captured either near or at the face of terrorist action or training, and the evidence that British courts properly require to ensure detention following conviction, or even detention under part 4 of the 2001 Act.

Mr. Tam Dalyell (Linlithgow) (Lab): In 43 years of listening to ministerial statements, I have scarcely heard a senior Minister having to defend what is frankly indefensible. What does that say about the cavalier attitude of recent Republican Administrations in the United States to both human rights and international law? What are the Government going do about this situation: discussions about assassination squads, possibly operating across international borders, are really going on in Washington, and the presence of assassination squads has been made more likely by the appointment of Mr. Negroponte in Baghdad? Does the Foreign Secretary remember what we all said in the 1980s about Negroponte's behaviour in central America?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. With his long experience, the hon. Gentleman knows that he is trespassing outside the scope of the statement. He sought to table an urgent question, which was refused, and it is therefore unfair to attempt to raise the issue in a question to the Foreign Secretary now.

Mr. Straw: I am delighted to see my hon. Friend back in his place after his absence. He must make his own judgment about the circumstances in which I am making this statement. In the 26 years in which I have been in this House, however, I have heard some statements that compare with the one that I have just made. [*Laughter.*] The US Government must defend their own decisions. However, we are allies of the United States, so I shall offer an explanation of why they have come to those decisions and put the matter in context.

Yesterday, my right hon. Friend the Prime Minister dealt with the issue of assassination squads in a slightly less well-publicised meeting than this—the cameras were not there and the journalists were outside. He said that we have seen no evidence whatsoever that the United States has employed assassination squads in Iraq, which we would not approve of. I happen to know—here I am defending as well as explaining—Ambassador John Negroponte, whom I regard as an international diplomat of the highest standing and integrity, and I am happy to defend that position against all comers.

Mr. John Wilkinson (Ruislip-Northwood) (Con): The Foreign Secretary knows that many thousands of Commonwealth nationals are ordinarily resident in this country, where, to all intents and purposes, they enjoy the rights of British citizens, in as much as they can vote and join the armed forces, police and civil service. Is he aware of any such individuals who are still in detention in Guantanamo Bay, and if so, how many? Finally, he drew a distinction between two of the four detainees to be returned. Were some of the detainees engaged in activities that would have led to their being taken prisoner of war in a declared state of war?

Mr. Straw: On the last point, the answer is for some, yes, and for some, no. The international conventions on the treatment of prisoners of war—the Geneva conventions—were designed before we faced the threat of international terrorism and failing states, so the instruments have not quite caught up with the new reality.

On the number of people detained, let me say, as there is obviously some suspicion that British citizens might be detained elsewhere, that I am absolutely certain that none is detained in Guantanamo Bay, and I know of no citizens detained in similar circumstances elsewhere. However, I am happy to follow that up for the benefit of the House to ensure that if there is any difference between what I recollect and the truth, a written ministerial statement will quickly be made to the House.

There will be some Commonwealth citizens detained in Guantanamo Bay—including citizens of Pakistan, for example—as well as some people who have a right to indefinite residence in this country. I cannot, from this Dispatch Box, give an estimate of the numbers, but I can tell the House that one detainee who is a citizen of Australia was today released to the Australians by the United States Government.

Ross Cranston (Dudley, North) (Lab): I congratulate my right hon. Friend, who is right to put the issue in context. He mentioned the work of the Attorney-General, and I am sure that many of us at this end of the building would like to commend the work of our right hon. and learned Friend in securing this result.

Will the Government continue to insist that unless the United States applies international legal standards, in terms of detention and trial, whenever it detains Britons, the Government will continue to insist that they must ultimately be returned to this country to be dealt with?

Mr. Straw: I am grateful to my hon. and learned Friend. His commendation of the indefatigable work of our right hon. and learned Friend Lord Goldsmith, the Attorney-General, is entirely well placed, as he has pursued this matter tirelessly.

Our position is always clear, and it is based on the principle that where people are detained they should either be tried in accordance with internationally accepted standards of justice or released to the United Kingdom. That is a clear principle that applies to every British citizen wherever he is potentially detained.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. I want to call everyone who is seeking to catch my eye, but there is other important business to come. I appeal to hon. Members to make their questions brief and to the Foreign Secretary to keep his answers brief.

Mr. Edward Garnier (Harborough) (Con): Following the Foreign Secretary's last answer, is it his case that the nine people detained in Guantanamo Bay were detained lawfully or unlawfully?

Mr. Straw: That is a matter finally to be sorted out before the United States Supreme Court.

Mrs. Alice Mahon (Halifax) (Lab): By any measure, this has been a hideous abuse of human rights and international law. In the context of the special relationship, if it has taken us three years to get our citizens, what hope does the Foreign Secretary have for those of other countries; and will he condemn what has happened in Guantanamo Bay?

Mr. Straw: My reaction is a little different—I am pleased that at long last we have managed to secure the release of the nine British detainees. We do not approve of the circumstances of their detention, but it is important that we understand why the United States Government felt it necessary to make the detentions.

Simon Hughes (Southwark, North and Bermondsey) (LD): Given that the Foreign Office rightly promotes democracy and human rights abroad all the time, what will the Foreign Secretary now do to ensure that in future nobody in Britain or among any of our democratic allies is held without charge or without conviction?

Mr. Straw: Our record on human rights is a very good one, and we will continue to pursue, with our close allies and everyone else in the international community, the need to ensure that all signatories to the human rights conventions apply them in practice as well as in theory.

Vera Baird (Redcar) (Lab): Is it not necessary to emphasise the fact that the real hero of the hour is the Attorney-General? He faced considerable personal public criticism last year when, after the US Government had made the offer that, once tried by some sort of tribunal, the men could serve their sentences here, he had the moral courage in the face of that criticism to say that those tribunals would not give men a fair trial, and that even on those terms he would not agree to their being tried unfairly. Is not he to be congratulated on that stand? Clearly, these men must now be investigated here.

May I just say, very quickly, that this surely shows two things—

Mr. Deputy Speaker: Order.

Mr. Straw: I endorse my hon. and learned Friend's commendation.

Mr. John Bercow (Buckingham) (Con): Abuse of power by Governments to the detriment of individuals must surely carry a greater consequence than simple loss of face or damage to reputation. Pursuant to the points very wisely raised by my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) and the hon. Member for Leicester, East (Keith Vaz), would not it send an invaluable signal if the Foreign Secretary, instead of simply saying, "If people come to us about compensation we will follow it up", he said, "There is no reason in principle why they should not receive compensation and every reason why they should"?

Mr. Straw: The answer is that compensation has to be a matter that is considered within United States and international law, not our own domestic law, so there is no point in my holding out hope that could then be dashed.

On representations, most of these individuals are already in touch with us through their lawyers and Members of Parliament, and I am sure that they all will be—by the end of the day, probably.

David Winnick (Walsall, North) (Lab): Would not it be useful for the British Government to say to the American authorities that those of us who are totally opposed to terrorism in all its forms and have the utmost sympathy and solidarity over 9/11 feel only contempt for the way in which detainees—not only the British ones—have been held in Guantanamo Bay, which is a perversion of justice in every form and plays right into the hands of the terrorist networks? Would not it be useful to be frank and forthright over this?

Mr. Straw: I think that the United States Government are very well aware of the strength of feeling across the United Kingdom and across this House. I believe that that is one of the factors that have led to the release of these men.

Sir Patrick Cormack (South Staffordshire) (Con): Bearing it in mind that there will be times in the future, as in the past, when it will be necessary for the greater safety of the greater number to detain people, should not we concentrate on the conditions of detention; and is not that the thing that we most deplore?

Mr. Straw: We have to concentrate both on the circumstances and legality of detention, but certainly on the conditions of detention where it is lawful.

Mr. Roger Godsiff (Birmingham, Sparkbrook and Small Heath) (Lab): I welcome the fact that my constituent, Moazzam Begg, is now being returned to his family after three years of incarceration and that the Foreign Secretary says that due process of law will now prevail. However, mindful of the fact that the five detainees who previously came back have not been charged, if no charges are laid against the four people who are returning, including Mr. Begg, how will he find out what the basis of his detainment was; and how will he be able to clear his name, or will he for ever be viewed as a potential international terrorist?

Mr. Straw: My hon. Friend's question prompts in turn several questions that I cannot answer at the moment. Our process is, by definition, different from that of the United States: that is one of the reasons why we objected to the circumstances of the detentions. All I can say, as I have said repeatedly to the House and to my hon. Friend—I am grateful to him for his thanks—is that we will actively consider any representations that are made to us.

Northern Ireland

1.48 pm

The Secretary of State for Northern Ireland (Mr. Paul Murphy): With permission, Mr. Deputy Speaker, I should like to make a statement on Northern Ireland.

As the House will be aware, a major robbery took place at the Northern bank in Belfast just before Christmas. At the end of last week, the Chief Constable of Northern Ireland indicated that in his professional opinion responsibility for the robbery should be attributed to the Provisional IRA. He also made the point that quite apart from the massive scale of the robbery—more than £26 million—it was in no sense a victimless crime. Two families were kidnapped and threatened with death if they did not co-operate with the criminals. In the case of one of the families, the gang, masquerading as police officers, tricked their way into the house by claiming that a family member had been killed in a car accident. Once inside, they donned masks, produced guns and threatened the family. One of the hostages was later taken to an isolated forest where her car was burned and she was abandoned in the snow. She was forced to struggle in severe weather and in darkness across country to seek assistance in a highly distressed state and suffering from hypothermia. I want to reiterate my utter condemnation of those who planned and carried out that appalling crime.

The Chief Constable's public remarks were necessarily constrained by the ongoing investigation. He has briefed me fully on the background which led him to make the statement that he made. I have no doubt that the Chief Constable's opinion is well founded. He did not rush to judgment. The Police Service of Northern Ireland thought initially that five groups could have been responsible for the robbery. Only when a great deal of evidence had been sifted did the Chief Constable make his statement. He is a man of the highest calibre and integrity, leading a professional team of officers acting entirely independently and objectively in pursuit of the criminals concerned. The Irish Government have also made their views on that aspect of the matter entirely clear. There will of course be a further dispassionate assessment of the position when the Independent Monitoring Commission makes its next report. I shall discuss with the Irish Government the time scale in which that report should be made.

On the immediate follow-up to the robbery, I welcome the announcement by the Northern bank of its intention to withdraw from circulation its current bank notes and replace them with notes of a different design and colour. That decision will reduce materially the value of the robbery to the perpetrators and we will discuss with the bank how best to publicise the detailed arrangements.

Since the Chief Constable's statement, there has been much comment about the impact of the developments on the political process in Northern Ireland. I cannot hide my own judgment that it is deeply damaging.

On 9 December, I came to the House to report on the proposals by the British and Irish Governments for a comprehensive agreement, which had been published the previous day. They represented a series of statements that would have been made if there had been an overall agreement at that stage. They included a statement to the effect that paramilitary activity by the Provisional IRA would cease immediately and definitively. There was also a statement, to which the Democratic Unionist party was committed, that after a period during which the good faith of the Provisional IRA's commitments had been demonstrated, an inclusive power-sharing Executive would be re-established in March this year. I need hardly remind hon. Members that that would have been nearly two and a half years after the devolved institutions in Northern Ireland were suspended.

In the event, an outstanding issue, in relation to the transparency of the decommissioning process, could not be resolved. However, as I said to the House in December, we had made significant and substantial progress, not least in rebuilding the trust and confidence that is the essential requirement of a stable, inclusive, cross-community, devolved Administration in Northern Ireland.

Today, I deeply regret that that progress has been put in jeopardy. I cannot forecast with certainty when it will prove possible to re-establish an inclusive power-sharing Executive, which the Government continue to believe provides the best long-term guarantee of peace and stability. We shall not abandon our commitment to that ultimate goal.

We are in no doubt, however, that it can be achieved only if the Provisional IRA gives up not only terrorism but all the other forms of criminality in which it is implicated. Unionists in Northern Ireland have made clear that if those tests are met, they will work with Sinn Fein in a power-sharing Executive. As my right hon. Friend the Prime Minister has said repeatedly, it is entirely reasonable for Unionists to withhold their co-operation until those tests are met. We have consistently made it clear that, if a political settlement is to be achieved, any illegal activity has to come to an end. The documents published before Christmas were unambiguous on that point.

Let me reiterate to the House that the Government will not promote a political settlement in which a party inextricably linked to an organisation that has carried out major criminal acts can assume responsibilities again in a devolved Administration. Nor could it take on the further responsibilities implied by the devolution of justice and policing while criminal activity of the kind we have just seen, and the capacity to plan and undertake such activity, continues to exist. It would be ludicrous for anyone to suggest that the people of Northern Ireland, from whatever background, voted for a political settlement on that basis in the referendum in 1998.

Against that background, it is clear to me that decisions and responses on that are now needed from Sinn Fein and the Provisional IRA. The comments from the Irish Government in recent days indicate that they share that view.

Without the required responses from Sinn Fein and the Provisional IRA, I cannot see how we can reinvigorate the political talks that must precede a comprehensive settlement. Without those responses, the Governments and, indeed, the House, will need to consider how best in the changed circumstances to bring pressure to bear on the republican movement to complete the transition to exclusively peaceful and democratic means, including any penalties that might be applied to Sinn Fein.

[Mr. Paul Murphy]

I spoke to the Irish Foreign Minister on Friday and will meet him when he returns from a visit to the tsunami-stricken areas of Asia. My right hon. Friend the Prime Minister will meet the Taoiseach towards the end of the month. In the meantime, I expect to talk to the Northern Ireland parties over the next two weeks with a view to hearing first hand their assessments of the current position and their views on several difficult questions that now face us, including, for example, the appropriateness of continuing to pay the salaries and allowances of the individuals elected to the Northern Ireland Assembly in November 2003 and our proposed way forward on the regulation of donations to political parties in Northern Ireland.

I cannot disguise my deep disappointment at what has happened, but my disappointment is as nothing compared with that of the people of Northern Ireland. They deserve better, given the progress in so many areas of their lives in recent years. The Government, continuing to work in close partnership with the Irish Government, will do everything they can to ensure that that progress is not lost and that we can continue to move forward as soon as possible to a comprehensive political settlement. In the meantime, my colleagues and I will continue to apply ourselves to governing Northern Ireland as effectively as possible in the absence of a devolved Administration.

Mr. David Lidington (Aylesbury) (Con): First, I thank the Secretary of State for his statement and his customary courtesy in letting me see an advance copy.

The right hon. Gentleman rightly drew attention to the viciousness of the crime. I want to start by expressing our sympathy for the families who were the victims of those brutal acts.

The robbery and the Chief Constable's words last week have grave implications for the entire political process in Northern Ireland. The Prime Minister and the Secretary of State have frequently said—the Secretary of State did so again this afternoon—that Sinn Fein and the IRA are inextricably linked. The Independent Monitoring Commission's conclusions supported that assessment. In those circumstances, surely no Unionist or, for that matter, nationalist politician should be asked to share power with a party that remains inextricably linked to a violent criminal gang.

We cannot move towards the devolution of powers over policing and criminal justice until we can be confident that every party with Ministers in a devolved Executive is committed to supporting the police and the rule of law rather than to undermining them.

Will the Secretary of State today accept something that he has avoided accepting up to now, namely, that the same principles should now apply in Belfast and in Dublin, and that Sinn Fein cannot take part in a coalition or power-sharing Administration until it has permanently ended its connections to paramilitary bodies and to organised crime? I agree with the right hon. Gentleman that it would be in everyone's interests if the republican movement now rapidly completed its transition from terrorism to exclusively peaceful and democratic politics. The sad truth, however, is that the events of recent days have shown that we seem to be a long way from achieving that objective. What, therefore, do the Government plan to do now?

As far back as 7 September last year, the Prime Minister said that if the Leeds Castle talks failed to achieve a comprehensive settlement,

"then I think we've got to look for another way forward."

What is that other way forward that the Prime Minister and the Government envisaged? Will the Government now explore the possibility of establishing a power-sharing Executive who exclude Sinn Fein? Or, if that is unattainable, will the Minister consider ways of making direct-rule Ministers more accountable to the people of Northern Ireland?

The Secretary of State mentioned sanctions against Sinn Fein, and I would like to ask him three specific questions on that issue. First, in the light of the intelligence to which he and the police now have access, will he consider recalling individual prisoners who have been released early on licence under the Government's early-release scheme? Secondly, given the widespread belief that the profits of crime are helping to fund political parties linked to paramilitary forces, will he look again at some of the exemptions that parties in Northern Ireland have from the normal rules on party funding, especially those relating to foreign donations and to publishing accounts? I note that he said that he would be discussing this matter with the Irish Foreign Minister soon. In the light of those discussions, will the Secretary of State undertake to drop, or at least postpone, proceedings on the statutory instrument to extend the current exemptions, which the Government tabled shortly before Christmas? Thirdly, will the Government now introduce a motion to suspend the privileges and parliamentary allowances that have been given to Sinn Fein Members of this House despite their refusal to take their seats and represent their constituents properly? It is intolerable for taxpayers' money to be doled out in this way to a party that remains inextricably linked to violent organised crime.

Finally, will the right hon. Gentleman give the House an unequivocal assurance that the police, customs and every other law enforcement agency in Northern Ireland will be unrelenting in pursing not only the people responsible for this appalling robbery but all members of the mafia gangs, republican or loyalist, that prey on the people of Northern Ireland; and that the agencies of law and order will take that action regardless of any political difficulties that it might cause in any quarter?

Mr. Murphy: I am grateful to the hon. Gentleman for his comments on the process. I agree with him that the impact of these events is deeply worrying and serious. I shall try to answer his individual questions one by one. He asked whether the principles that apply to a Government in Dublin should apply to a power-sharing Executive; I am sure that that is the case. I have already said that the Government will not tolerate any form of criminality associated with a group that is associated with a political party in Northern Ireland. Perhaps more significantly, however, the political parties in Northern Ireland take a very strong view on this issue.

In regard to whether we could form a power-sharing Executive without Sinn Fein, the Government's view—the view expressed in the Good Friday agreement—has

always been that the people of Northern Ireland and, indeed, the people of Ireland voted for an inclusive power-sharing Executive. The ultimate answer is to see the end of criminality on the island of Ireland, and in Northern Ireland in particular, whether that criminality comes from republican or loyalist sources. The Government have not ruled anything out or in, but a lot will depend on the discussions that I have over the next couple of weeks with the political parties to discover their views on the issue. At the end of the day, two things matter: one is that there be consensus among the political parties in Northern Ireland as to what they want; the other is that, whatever happens, we cannot establish an Executive in Northern Ireland without either Unionist or nationalist representation. To that end, the parties could suggest other alternatives to us for the short term, over the coming months. They could include ways in which direct rule Ministers could be made more accountable; I entirely agree with the hon. Gentleman on that point.

On recalling licensed prisoners who might be connected to the bank robbery, I am monitoring all the circumstances surrounding the robbery very carefully and I can confirm that I shall not hesitate to use the powers available to me to suspend the licence of any ex-prisoner if I am satisfied that he or she has broken, or is likely to break, any of his or her licence conditions. I am happy to give the hon. Gentleman the assurance that he requested on that matter.

The Government intend to move away from the current exemptions for the Northern Ireland political parties from the normal rules on publishing their accounts and receiving foreign donations. We shall be holding discussions with the Northern Ireland parties, the Irish Government and the Electoral Commission on these issues, and we shall seek an extension of the current exemptions to allow time for that consultation. I know that the hon. Gentleman and other hon. Members will be discussing this matter with me in more detail in the weeks ahead.

The hon. Gentleman also raised the question of this House suspending the privileges and parliamentary allowances of Sinn Fein Members. First, I have already said in my statement that the Government will consider a range of possibilities in the coming days, and I think the House would agree that we need to take some time to consider the most effective way of bringing pressure to bear on the republican movement. [HON. MEMBERS: "Why?"] Not least because we need to discuss a number of the issues relating to sanctions and penalties with the Irish Government—*[Interruption.]* Perhaps the House will allow me to finish. Secondly, I understand that the House has its own rules regarding whether we should allow such actions to happen, and the Government will have to reflect on the significance of that. Thirdly, the Independent Monitoring Commission also has a role in determining what sanctions and penalties, if any, should be introduced with regard to Sinn Fein. We do not want to take a decision on these issues today, because we need to look at the whole picture. I have not ruled anything out on these issues.

The hon. Gentleman referred to organised crime in Northern Ireland, be it from a loyalist, republican or any other source. He can rest assured that the Organised Crime Task Force and all the other agencies in Northern Ireland will bend their attentions to ensuring that we deal with these issues with the utmost urgency, not least because if this criminality is allowed to continue—not just the criminality that we have seen over the last few weeks, although the problem was dramatically illustrated by this robbery—it will corrupt politics and society. We cannot allow that to happen in Northern Ireland, not least because the people there voted against that.

Mr. John Hume (Foyle) (SDLP): Given that the allegations about this appalling crime represent a serious threat not only to our peace process but to the full implementation of the Good Friday agreement, and given that the leadership of Sinn Fein has utterly denied its involvement in it—I contacted members of the leadership directly on the telephone and they told me that they had played no role of any description in it—does the Secretary of State agree that, because of the terrible consequences of this terrible crime, it is necessary to publish the evidence behind the allegations?

Mr. Murphy: I agree with my hon. Friend that this is a threat to the process, as I am sure all hon. Members do. The Chief Constable made it clear in his statement last week that he came to his conclusion professionally and that his professional judgment rested on examining the evidence, whether that was from intelligence or the criminal investigation. He said that all lines of his and his senior officers' inquiry led him to his conclusion.

My hon. Friend will understand that between 45 and 47 police officers are working on the inquiry. A hundred interviews have been held with 100 more to be held in the near future. It would be wrong of the Chief Constable or the police to reveal all that evidence during the course of an investigation because, as my hon. Friend and others will know, that would seriously jeopardise the chances of catching and convicting the culprits—that is the danger. However, I have read a great deal of the evidence that the Chief Constable has seen and I have no doubt that what he said was right.

Lembit Öpik (Montgomeryshire) (LD): I am sure that we all agree that the raid was a terrifying ordeal for the civilians caught up in it. No doubt they feared for their lives, and it is a relief to us all that they escaped unharmed.

We all continue to have high respect for Hugh Orde, but I am also surprised by his and the Government's willingness to blame the IRA for the robbery without revealing the evidence. Will the Secretary of State confirm that he believes that anyone who is prosecuted for the crime will turn out to be associated directly or indirectly with the IRA? If he cannot give us that assurance today, he cannot claim that the IRA was necessarily behind it.

The Secretary of State asks us to take it on trust—without sharing evidence—that the IRA was behind the crime, but if he wants to use the defence that he should not share that evidence while the investigation is continuing, perhaps it was not wise to share a conclusion before the investigation had ended. Is there not a danger that that might prejudice the outcome of a court case, because we would be prosecuting not an organisation but individuals?

[Lembit Öpik]

We are meant to be normalising Northern Ireland, so is the Secretary of State aware that his fellow Minister, the Under-Secretary of State for Northern Ireland, the hon. Member for Dudley, South (Mr. Pearson), refused this morning to say that the Government would necessarily specify an organisation on the basis of criminal activity? Why are the Government unwilling to specify sanctions against paramilitary organisations involved in crime, even if they are not willing to specify the organisations themselves? If it turns out that a paramilitary organisation is behind this substantial criminal offence, it is rather surprising that the Government shy away from giving an assurance that they would consider specifying it on the basis of that.

It will be difficult to normalise Northern Ireland if paramilitary organisations do not fear the sanction of being specified on the basis of serious criminal activity. That stems from the fact that we have never had a clear definition of "ceasefire". Is it not time to use paragraph 13 of the joint declaration as a clear definition of ceasefire, and to add to it the idea that sanctions will extend to criminality as well as terrorism? Is it not the case that until we have a clear and explicit statement of the sanctions that paramilitary organisations can expect when perpetrating organised crime, we are unlikely to resolve the problems of crime or, indeed, terror?

Mr. Murphy: I am surprised by the hon. Gentleman's question about the Chief Constable and the evidence, because I thought that I had made it clear that it is difficult for him to produce detailed evidence while an investigation is ongoing. However, the hon. Gentleman knows as well as I do, because he has been involved in Northern Ireland politics for a long time, that it is by no means unusual for the Chief Constable to attribute blame across the political spectrum in Northern Ireland for paramilitary crime. Indeed, the problem that Hugh Orde faced over the past couple of weeks was that he was not attributing quickly enough. However, he wanted to ensure that he was satisfied, in his highly professional opinion, of what was the case. If the detail were to emerge, it could have a detrimental effect on future court proceedings, which is why the situation has arisen.

I understand the hon. Gentleman's reference to specification, but as he knows, specification refers specifically to whether groups are on ceasefire. We should remember that the IRA is illegal and proscribed by law and the House, as are other organisations. Although we are not ruling out whether we specify or despecify, we must look at the whole picture before doing that.

The hon. Gentleman referred to sanctions—I have no doubt that this issue will raise its head later—but under normal circumstances, if the Assembly was up and running, they would be a matter for consideration by the Independent Monitoring Commission. As he knows, such sanctions would refer to various penalties affecting Assembly Members and parties when the Assembly is in session. When we considered the position some months ago, the IMC itself came up with sanctions, and it is quite possible that it may recommend them when it examines the matter. The Government, too, when talking to the Irish Government about issues that affect them, will consider such matters. On normalisation, however, the people of Northern Ireland want an end to such illegality and criminality across the board so that they can live in a decent society.

Kate Hoey (Vauxhall) (Lab): Does the Secretary of State agree that what he has said today will give a lot of heart to IRA-Sinn Fein because democratic politicians and parties from both sides of the community in Northern Ireland are being punished? Surely he should be saying that we will not be held to ransom by IRA-Sinn Fein and that we will go ahead and set up instantly a devolved Northern Ireland Assembly with nationalist and Unionist parties that have no links to terrorism.

Mr. Murphy: I could not agree less with my hon. Friend. I find it extremely unusual for her to suggest that the words in my statement could give comfort to the IRA—perhaps she will reflect on that.

I indicated in response to a previous question that I have neither ruled in nor out the possibility of persuading democratic parties in Northern Ireland to set up a voluntary coalition excluding Sinn Fein. However, the reality is that such an arrangement could be made only if the political parties in Northern Ireland that would form part of that coalition agreed to it. The coalition would have to be made up of Unionists and nationalists. It is thus incumbent on the Government, as the hon. Member for Aylesbury (Mr. Lidington) said, to consider other means of increasing accountability for direct rule Ministers.

I do not think that anyone would disagree that the most important matter before us today is how to stop criminality in Northern Ireland. If that stopped, and we were persuaded that it had stopped, we could of course enter into an inclusive Executive. If that does not happen, it does not happen, but anyone who suggests that we should not work towards that and stop criminality would not be thanked by people in Northern Ireland. If that does not work, we will have to find other arrangements—I have not ruled those out—but the House should reflect on the fact that it is incumbent on me to talk to political parties in Northern Ireland to get their views on where we might go, which I intend to do. People in Northern Ireland would not want us to take precipitate decisions today without doing that.

Rev. Ian Paisley (North Antrim) (DUP): This is a serious day for Northern Ireland. It is a day when the Government must cease to deal with politics, and deal with crime and paramilitaries. Until crime and paramilitaries are dealt with, we cannot have a proper democracy in Northern Ireland. As the Secretary of State well knows, the Democratic Unionist party took part in the talks process in good faith, but all the time we were in those talks, we were chided by his Government that we should have more faith and trust. We were sniped at by official Unionists, whose deputy leader says today that we were taken for a ride. The Democratic Unionist party was not taken for a ride. We took our stand boldly and strongly for what we believed. We did not change anything to which we said that we were dedicated, and we kept fully to our mandate from the people.

Then the Democratic Unionist party found out that the word of the IRA was not to be trusted. While we were sitting there, and while the Government were

telling us about the goodness and character of the IRA, it was planning to rob the Northern Bank, to give it an unprecedented advantage in an election. With millions in its possession, it could outdo every other political party.

I am rather surprised at the hon. Member for Foyle (Mr. Hume) and the hon. Member for Montgomeryshire (Lembit Öpik), who leads for the Lib Dems, talking about bringing evidence before us, as even the Taoiseach has said that the evidence that his police have is the same as what the police of Northern Ireland have. Will the hon. Member for Foyle repudiate the Taoiseach of the south of Ireland and say that he is talking nonsense, too?

Mr. Hume: On a point of order, Mr. Deputy Speaker. I did not say that anyone was talking nonsense. I said that, in the public interest, the evidence should be fully published. Who objects to evidence?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. That is not a matter of order for the Chair. The hon. Gentleman wishes to continue the debate, and there will be other opportunities for that. May I say to the hon. Member for North Antrim (Rev. Ian Paisley) that this is not the occasion for a statement on his part? He should be putting questions on behalf of himself and his party to the Secretary of State. I have allowed some latitude to him because of his position in this matter, but he really must ask questions and not continue with an extended statement.

Rev. Ian Paisley: It seems strange, Mr. Deputy Speaker, as I am the leader of the largest party in Northern Ireland, that we cannot do what we are sent to do. I will make no further comment on that, because I know that your powers are greater than mine at present.

Mr. Deputy Speaker: Order. I am sure that the hon. Gentleman is not trying to tempt me to exemplify the powers of the Chair. I have recognised his position as the leader of the largest party, but it is still not in order for him to make an extended statement at this time. There will be other occasions for that. He should be putting questions to the Secretary of State.

Rev. Ian Paisley: I will do that now, but I had to answer some things that were said previously.

First, the Secretary of State said in his statement that "decisions and responses" are now needed from Sinn Fein-IRA. Will he please tell us what he means by that? There was not one word about anger. The people of Northern Ireland are more than disappointed—they are very angry about what has happened. Furthermore, what are the penalties to which he referred? The only penalties about which I have heard today are against the democrats of Northern Ireland, whether nationalist or Unionist. The hon. Member for Vauxhall (Kate Hoey) was right to make that point. We are being punished—because of a bank robbery, all democracy in Northern Ireland is to be brought to an end. I want to press the Secretary of State to tell us what those penalties are.

On the future of the Assembly, surely, as we have suggested to the Secretary of State, elected representatives could be organised to keep their eye on direct rule Ministers and to call them to account, as they did in the Assembly. That is a job of work that could be done.

Mr. Murphy: On those last points, we could certainly consider the sort of arrangement about which the hon. Gentleman talked. His party put forward various proposals with regard to a committee structure or corporate body of the Assembly. The Social Democratic and Labour party put forward suggestions with regard to a similar body, but with commissioners. There are ways in which to examine how best to deal with the accountability of me and other Ministers in the House who have responsibility for Northern Ireland.

On penalties and sanctions, the hon. Gentleman also knows that, when an incident occurred last year, we considered a host of different penalties and sanctions, ranging from allowances to other matters. Those will be considered by the Government and the Irish Government together, but the House will also have an opportunity to consider such matters, if it so wishes.

With regard to decisions and responses, those relate entirely to the first point that the hon. Gentleman rightly made—we cannot, to use his words, mix crime and a proper democracy. I hope that I made it clear throughout my statement that the Government will not tolerate that linkage, and that it is not right for that to happen. If he wants a voluntary coalition, however, I repeat that we can only have that if people volunteer to go into it, and it must be across the board. Therefore, there must be other ways. The point is also to end criminality so that we have a wholesome and uncorrupted politics in Northern Ireland.

The hon. Gentleman rightly talks about anger in Northern Ireland about the issue, but the anger is also because of the impact on the process, given all the work done by his party over the months leading up to Christmas, and the work done by all the parties involved in the peace process in Northern Ireland over the last several years. I assure him that no one in the House was more disappointed than me. Off and on, for 10 years, I have also been involved in the process, and the last thing that I wanted was to come to this House and deliver the statement that I have had to give today. I wanted to ensure that we saw progress from Christmas onwards, with an Executive and an Assembly up and running in the next six months, which the people of Northern Ireland wanted. Now we must put our heads together and work out where we go in the months ahead.

Mr. Seamus Mallon (Newry and Armagh) (SDLP): First, I want to pay tribute to members of both Governments who have worked so assiduously on this mater. That will not prevent me from pointing out that there is a fault line in the negotiation process, which is exemplified by the way in which, for more than seven years, every attempt was made to buy the IRA army council into the political process at the expense of other factors—not just buying in republicans but others. There is a fault line in any political process when people must be bought into such a process in a place like Northern Ireland. It is an even worse fault line when, added to that, we have secret deals that amount to political patronage, and secret arrangements with paramilitary groups, and when the law itself can be bartered for political reasons, as was attempted in the Republic of Ireland.

[Mr. Seamus Mallon]

May I ask the Secretary of State one thing? This bartering of the Good Friday agreement has sucked dry the idealism and hope that exists within the community. That idealism, vision and hope is disappearing. As the Secretary of State is a man for whom I have enormous respect, may I ask him to get rid of the fault line in the negotiating process and reinvent integrity, decency and honesty in it, so that once again I, as one who has been involved for many years, can say with pride that I am part of the political process rather than seeing it becoming more and more of a moral quagmire?

Mr. Murphy: Of course, my hon. Friend has been part of that process for many years. Its success, in the years in which we have had success, is largely due to him and others like him. He makes a point about the negotiation process, and perhaps it is time to take on a different type of negotiation. That will result largely from my discussions in the weeks ahead with political parties.

My hon. Friend rightly mentioned the Good Friday agreement, which of course lies at the heart of any negotiations that we have. What struck me as particularly awful about the events of the last few weeks was that they were so much against the principles of that agreement. People constantly talk of acceding to, agreeing to, accepting and implementing the agreement, but nothing could be worse than an act of major criminality—which is how we have described it today—that went against what people voted for when they voted for the agreement in 1998.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. If there is not brevity in both questions and answers, I shall not be able to call every Member who is seeking to catch my eye.

David Burnside (South Antrim) (UUP): I wish the Secretary of State and his ministerial team a happy and prosperous new year. We should be optimistic about the future, and not be depressed about recent events. The statement, however, was depressing. We all like the Secretary of State and get on reasonably well with his ministerial team, but the statement was vacuous and empty, with no reference to sanctions or threat. Sinn Fein-IRA are laughing at the British Government again. The Secretary of State knows the facts from his security information. He knows about Bobby Storey, head of intelligence, reporting to the army council. He knows about Adams, McGuinness, Keenan, "Slab" Murphy—top of the criminal rich list, with £32 million—Gillen and the rest. He knows who carried out the Northern bank robbery. It was the Provisional IRA. It was Bobby Storey—Bobby Storey of Stormontgate, Bobby Storey of crime, Bobby Storey of Castlereagh—

Mr. Deputy Speaker: Order. I am not going to listen to a long speech. I appeal to the House for short questions. If the hon. Gentleman does not have a short question, he may as well remain seated.

David Burnside: I think I have made my point clear, Mr. Deputy Speaker: everyone knows who was responsible.

What is the Secretary of State going to do? What sanctions are there? What strengthened will is going to emanate from the House with regard to facilities in the House, sanctions and fines? Will there be a fine of a couple of thousand pounds, when they have £26.5 million in the bank?

Mr. Murphy: I understand the hon. Gentleman's frustration. We are all frustrated by what has happened—but I always try to think about what the people of Northern Ireland would like to happen. Important as withdrawing facilities from the House of Commons might be, and important as withdrawing allowances from parties that can afford it might be from the hon. Gentleman's point of view—whatever the penalties might be—the most important thing for us to do in Northern Ireland is to stop the criminality and bring about a political process that can proceed without it. That matters more than anything else in Northern Ireland. I am not dismissing the penalties and all the rest of it. We will consider that with our Irish Government partners during the next week or two. But the most important thing for the people of Northern Ireland is to stop the brutality, savagery and criminality that I described in my statement.

Mr. Harry Barnes (North-East Derbyshire) (Lab): The Government have been looking at the whole picture in Northern Ireland for seven years, since the Belfast agreement. To an extent I have been one of those who have gone along with that approach, suggesting that we should nudge a bit further each time—but is there not a point at which the picture needs to be completed? We have now seen what has been involved, as confirmed by the Secretary of State. Surely we are now reaching that point. Must we wait for a "next time" before decisions are made and action taken against Sinn Fein and the Provisional IRA?

Mr. Murphy: I repeat what I said to my hon. Friend the Member for Newry and Armagh (Mr. Mallon). The whole picture is important, because no one, but no one, wants to return to 30 or 40 years of troubles in Northern Ireland. I do not think that that will happen: I think we have come too far for it to happen.

I agree with my hon. Friend the Member for Newry and Armagh that we may have reached a stage at which we must deal with different negotiating arrangements, but if that happens it must be based on discussion with all the political parties in Northern Ireland, particularly those represented here who have spoken today. Although we may have to act in that way, we must not give up the hope that we can have a Northern Ireland that is free of criminality and has wholesome politics. We will continue in that hope. I do agree with my hon. Friend the Member for North-East Derbyshire (Mr. Barnes) that the impact of this event has been so enormous that we need to rethink many things.

Mr. Andrew Robathan (Blaby) (Con): It has indeed been nearly seven years since the Belfast agreement. At our last Northern Ireland Question Time, I asked the Secretary of State when he would stop believing Sinn Fein lies. That they are lies is now proven beyond any doubt, so will he now cease speaking to the people who are lying, and stop believing them until—if ever—they

prove their good faith beyond peradventure? I respect the Secretary of State, but I beg him to give us no more sorrowful words and no hand-wringing, and please to take action against those terrorist crooks. Will he start by suspending them from the House of Commons, and taking away the public money that is subsidising terrorism and criminality in part of the United Kingdom? The rule of law should apply throughout the United Kingdom. The Secretary of State has it in his power to take action. Will he do so now?

Mr. Murphy: I think that the idea of proof beyond peradventure is right, but I also think that the passion should be directed towards stopping the criminality and the things that I described in the earlier part of my statement. The Organised Crime Task Force, other agencies in Northern Ireland—the police, Customs or others—and indeed all of us must concentrate on stopping that criminality and ensuring that it does not profit people either politically or financially. We may well have to consider different sanctions and penalties, but I emphasise that ultimately the most important thing for those who live in Northern Ireland is stopping the kind of action that has necessitated my coming here today.

Mr. Eddie McGrady (South Down) (SDLP): Will the Secretary of State, and indeed all Members, send a message of hope for the well-being of the families who were involved, or coerced, in this terrible, savage and brutal crime? My constituents the McMullen family, who are both neighbours and friends, were savagely treated.

The Secretary of State often says, as he did last Friday, that there can be no place for terrorist or criminal activity. Let me say bluntly that we have heard that mantra in different forms for a number of years. What about the intelligence to which the Secretary of State has been privy over those years, and what has been reiterated by me in the House month after month? Political Sinn Fein is mainly the Provisional IRA in lounge suits, and every day in my community it is imposing its will and diktat. When will the Government get real, and stop Sinn Fein's criminal and paramilitary activities being made to seem credible and proper?

Mr. Murphy: My hon. Friend has a long history of opposing criminality and similar activity in the part of Northern Ireland that he represents, and exposing it in the House of Commons. I do not disagree with a word that he has said, but the document that I have here, agreed before Christmas—"Proposals by the British and Irish Governments for a Comprehensive Agreement"—addresses the issue of criminality.

No one has suggested—certainly I have not, during my time as Secretary of State—that there has not been criminality on the part of paramilitary organisations linked to political parties, including the IRA. That has been said time and again. What we are dealing with today is this: the enormity of the robbery, and the savagery that accompanied it, were such that people can take no more. That is why the House has taken the view it has taken. But my hon. Friend and I know, because we were involved in negotiations for many years, that our aim must be to achieve a peaceful democratic Northern Ireland. His party worked very hard for that, and for a non-violent future for the people whom he and his colleagues represent.

Mr. Peter Robinson (Belfast, East) (DUP): The Secretary of State has already indicated his respect for the views of the people of Northern Ireland. How does he respond to the prevailing view in Northern Ireland that on this issue, there are two certainties? The first is that the Provisional IRA will continue with its terrorism and criminality; the second is that after a very short time passes, the Secretary of State's tough talk will dissolve and the Government will be back to holding their hands again. How is it that in paragraphs 7, 8 and 9 of the Secretary of State's statement, the clearest of indications is given to Provisional Sinn Fein that he will not allow the process to move on without it? Why is democracy in Northern Ireland to be held back because of gunmen and gangsters? Surely the time has come to make it very clear that politics moves on, and moves on without it.

Mr. Murphy: It may have to be that. Over past months, the hon. Gentleman and his party colleagues have worked hard to establish an agreement between the two Governments and the other parties on the way forward, and I know that, like everybody else, he is deeply disappointed that that has not occurred. I also know that he and other members of his party rightly want restoration of the institutions in Northern Ireland as quickly as possible. I share that view completely, and I made it clear in my statement that there can be no place in the government of Northern Ireland for a party linked to people who carry out the sort of robberies that I described today. The hon. Gentleman knows, however, that in order to get any substitute for what was agreed before Christmas, it is important for us to talk to the political parties that have raised issues here today about the way ahead. I simply say to him that we are not ruling anything in or anything out until we have had those discussions, which it is important to have. He speaks robustly and with great strength, but he knows that in order to deal with these issues, we have to sit down and discuss them—as I will do with him in an hour's time.

Several hon. Members *rose*—

Mr. Deputy Speaker: Order. I have other important business to protect, so we must move on.

Flooding (North-West)

2.42 pm

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): With permission, Mr. Deputy Speaker, I should like to make a statement on the serious flooding that affected northern England, especially Carlisle, at the weekend. I also want to refer to the loss of drinking water supplies in Hexham, Northumberland.

The flooding was caused by a major storm that produced truly exceptional amounts of rain: some 9 in fell in a 36-hour period on already saturated land. This rainfall quickly reached the rivers Eden, in Cumbria, and Tyne, in Northumberland. They were unable to cope with such torrential loads, and flood banks were overtopped. I have to report that very sadly, three lives were lost in the Carlisle area. The coroner reported that two deaths were caused by drowning, and one by trauma when a wall collapsed in high winds. Inquests have been opened and adjourned.

Nearly 3,000 properties have been flooded in Carlisle. Elsewhere in northern England, nearly 100 properties were flooded along the River Tyne. The Carlisle major incident plan was activated and many residents were evacuated. Some stayed with family and friends; others have been housed in reception centres. There are continuing problems with the electricity supply and telephone connections to many houses. I saw for myself on Sunday just how serious the flooding was in Carlisle, and I know from this and previous experience how utterly devastating flooding can be for those affected. The thoughts of the Government—and, I am sure, those of the whole House—are with everyone affected, and especially with those who have lost loved ones.

I pay tribute to all those involved in the emergency response over the weekend—including the fire, ambulance and police services, the local authority, the Environment Agency, the coastguard, mountain rescue, and the military—who assisted greatly in rescuing those trapped by the flooding. I also want to thank the voluntary organisations that have given so much help in caring for those affected.

As a Government, we shall seek to ensure that all that can be done is being done to return the community to normal as quickly as possible. Emergency financial assistance is available to local authorities, under the Bellwin scheme, to help with non-insurable clear-up costs following a disaster or emergency in their area. Such an authority has one month from the end of an incident to notify the Office of the Deputy Prime Minister that it intends to apply for activation of the Bellwin scheme. If it is approved, the Department will usually reimburse 85 per cent. of eligible costs above a threshold related to the authority's annual budget.

I am also pleased to note that the Association of British Insurers has encouraged its members to play their part in the recovery by ensuring that they have sufficient capacity to deal with the exceptional volume of claims from Carlisle and elsewhere, especially given that further exceptional storms are expected imminently in northern Britain. As with all major flooding events, we will work with the Environment Agency in considering the lessons learned. We will do this once the agency has dealt with the immediate aftermath of the flooding, which is clearly its first priority, and there has been an opportunity to analyse the event and the response. However, preliminary indications are that this was the most serious flood in Cumbria since 1822. Although flood defences on the River Eden remained intact, they were overtopped by the extreme water flows. There were breaches of defences at Corbridge, on the River Tyne, but the event was so severe that those defences were overtopped anyway.

I should also inform the House that proposals are being developed for a new Environment Agency flood defence scheme to provide added protection for Carlisle. A number of options are being considered, and this analysis will now take account of the last weekend's flooding. However, I emphasise that whatever flood defences we provide—the Government have committed record levels of investment: almost £480 million in this financial year and £570 million for 2005–06—we cannot provide absolute protection in all areas against all conceivable flooding events. There is always the risk that truly exceptional storms and rainfall such as occurred at the weekend will strike somewhere.

I should further inform the House that the mains drinking water supply has been lost to properties in Hexham, Northumberland. Two water mains that pass under the River Tyne in the town were severely damaged by a fallen tree passing in the flooded river. The water company was able to maintain the supply to all but 1,100 properties until yesterday, but now, 10,000 are without mains supply. Northumbrian Water is providing emergency supplies of water in static tanks and bottles. The mains are about 1.5 m below the river bed and cannot be immediately accessed for repair. However, as an interim measure to restore the mains supply, the company is laying temporary overland pipework, which it expects to complete tonight. Some customers' supplies should be restored tomorrow, and others' throughout this week.

Soon, responsibility for the short-term and longer-term recovery effort will pass to the local authorities in Cumbria, and I am sure that elected members and officials will rise to the challenge. The Government office for the north-west and the Northwest Development Agency are already working with the local authorities to support them in that process.

What the Government can, and will, do is to ensure that we provide the investment for the Environment Agency and for others involved in flood defence to undertake works where they are most needed. We have always made it clear that nobody can guarantee that there will not be extreme weather events or flooding, but we can continually reduce risk—as we are doing—by investing in defences and warning systems, and by ensuring that there are efficient and effective emergency arrangements to cope with such extreme events. I repeat that commitment to the House.

Mr. Tim Yeo (South Suffolk) (Con): I begin by expressing my deepest sympathy, and that of the Opposition, to the families of those who lost their lives in the floods and gales that hit the north-west last weekend, and to the thousands of people who have suffered severe hardship, inconvenience and anxiety, along with damage to their property. I join the Minister in paying a warm tribute to the emergency services—they responded in very difficult conditions in order to

rescue people trapped by the flooding—to the work of the many volunteers who supported them, and to the role played by Cumbria county council and other authorities.

I welcome the application of the Bellwin formula and the statement from the Association of British Insurers. The priority is, of course, to provide help for the victims of the floods and get them back home as soon as possible, and to restore essential services—including electricity and water supplies—very swiftly. On learning lessons from what has happened, and given in particular the loss of life, will the Minister review the arrangements for warning those likely to be affected about the onset of extreme weather that might threaten their homes? Indeed, I understand that such warnings might be needed again in that region in the near future.

Once the immediate consequences of the floods have been redressed, questions arise about what other steps the Government can reasonably take. Inevitably, sudden and severe rainfall is likely to cause floods and I accept the Minister's point that no system of flood defences can guarantee total protection against adverse consequences. It is, however, a characteristic of climate change that sudden and severe rainfall will occur more frequently in future than it has in the past. It may be more than a century since this part of England suffered such severe floods, but we cannot assume that another century will pass before it happens again.

The Government have admitted that more than a million homes around the country are at risk of being flooded, so is the Minister satisfied that the planning process takes enough account of flood risks? Have not the risks been worsened by too much development taking place in areas that are in danger of being flooded and in places where the construction of buildings will increase the risk of existing buildings being flooded? Regardless of whether that was a factor in the latest incident, does the Minister agree that one way to reduce the risk of loss of life and damage to property resulting from flooding would be to require local authorities to adopt a more precautionary approach in respect of flood risk when giving planning consent for new development?

Turning to the broader issue of climate change, does the Minister accept that the severity of the rainfall that caused these floods is indeed a characteristic of climate change and is likely to recur? Does he also agree that it adds urgency to the challenge that Britain and the rest of the world face in tackling a threat that some may see as distant and global, but whose consequences can be very immediate and local?

Finally, will the Minister keep Parliament and the public regularly informed in a timely way about progress made on the immediate task of restoring public services to the affected areas and providing help to those who suffered, and on proposals for a new flood defence scheme to protect Carlisle and the surrounding area?

Mr. Morley: I welcome the hon. Gentleman's support for the sterling work done by the emergency services and his thoughtful and measured response. I can tell him that there will be a review of the flood warning system when the immediate emergency is over. It appears from early indications that the warning system was activated, but that only some people received those warnings. Some did not, so we obviously want to look further into the details of that. Given the extent of storms and floods, tremendous demands were made of the emergency warning system. I understand that some of the telemetry in the river systems was overwhelmed because of the speed of the water's rise.

The hon. Gentleman is right about climate change, and we certainly need to take into account its long-term implications. Climate change is a reality and a fact in respect of global warming. We know the figures and we can see the impact that various activities have made. We need to measure long-term trends in weather patterns. We have seen a series of extreme weather events not only in our own country, but globally, with hurricanes and typhoons. People would be ill advised not to assume that there is a link between global warming and climatic change.

We are trying to understand climate change better and, as part of our G8 presidency, we are hosting a major scientific conference in February at the Hadley centre, which is recognised as one of the world's leading centres of climatic forecasting and analysis. That is part of our attempt to understand the long-term implications, but we cannot be complacent. That is why the Government set up the Foresight programme and climate impacts programme to examine the potential consequences of climatic change and prepare to deal with it.

I accept what the hon. Gentleman said about flood plain development. It is certainly the case that there has been inappropriate development over the years on those plains. We now have new guidance under PPG25, which places an obligation on planning authorities to take flood risk into account when assessing planning applications. The Environment Agency is a statutory consultee, and also offers its opinions on planning applications. Those are all part of the Government's long-term planning and long-term commitment to reduce the risks that people in this country face.

Mr. Eric Martlew (Carlisle) (Lab): Thank you for calling me, Mr. Deputy Speaker. May I first ask you to pass on my thanks to Mr. Speaker for his kind words of sympathy and support for my constituents and myself yesterday? I also thank the Minister, not just for his statement today, but for his prompt action in visiting Carlisle. I rang him on the Saturday, and by Sunday lunchtime he was there. That was greatly appreciated by my constituents. The Minister was able to answer many of their questions about Government support. As I said, it will not be forgotten.

Last Friday night and Saturday morning were horrendous. The Minister said that it was the worst flooding since 1822 and there is a mark on the Eden bridge to show that flood level. The recent flood went beyond it. It was horrendous. Within 36 hours, we had 9 in of rain. Tragically, three people died: Mr. Scott was killed by falling farm masonry, and two elderly ladies, Mrs. Threlkeld and Mrs. Porter, who lived in Warwick road in my constituency, sadly drowned in the incident. I want to offer my sympathy and condolences to the families of all those people, and I know that the House is with me on that. Another consequence was the flooding of 3,000 houses, and almost 100,000 people were without electricity, many for three nights. It has been a very difficult time.

[Mr. Eric Martlew]

I particularly thank the agencies involved in support. The police and the fire service did everything that they could, and more besides. We need to recall that both the fire station and the police station were under 6 ft of water, reflecting the seriousness of the problem. The city council and the county council were excellent, especially social services in looking after the elderly and the young. The reception centres were manned by volunteers—the Women's Royal Voluntary Service, the Salvation Army and the Churches. The Minister and I visited them on Sunday and we saw the tremendous welcome that people were given at those centres. The community spirit in the city has been brilliant. United Utilities and the Environment Agency pulled people in from all over the country to get services back to normal as quickly as possible.

A special thank you should also go to BBC Radio Cumbria. Many people have told me that it was a lifeline. The telephones were down and there were no proper communications, so people listened to their car radios or battery-charged radios. It was the only way to get the information out. Without that, things would be have been even more intolerable for many people.

There should be further investigation of certain problems. I believe that the early warning flood system failed for some people, including myself. The local authority may also have been hampered by a shortage of sandbags. I am not convinced that the insurance industry has done itself any good, either. It was very slow to respond, especially at the weekend.

What of the future? Many industries and businesses in my constituency have been badly affected economically and I am sure that redundancies will follow. I hope that the Government will be generous in giving help. I want to ask the Minister to think about what more the regional development agencies could do to help us. He has already touched on helping local authorities. I have asked him to talk to the insurance companies to see whether they can lift their performance. Will he also ask United Utilities to do its best on the ground to get services back to normal? I understand that at this very moment, accountants are looking at ways to fiddle the compensation awarded to my constituents. It is very bad indeed to see people trying to wriggle out of their commitments. My constituents need every penny to get themselves back on their feet.

In conclusion, I thank the Minister and ask him whether he will come back to Carlisle in a few weeks' time when we know the full extent of the damage, in order to talk to the stakeholders in the area and move forward. Finally, I want to say how proud I have been of my constituents over the last few days.

Mr. Morley: I want to pay tribute to my hon. Friend and colleague, who contacted me immediately about the emergency that his constituents faced. He is a flood victim himself, and has been severely affected, but he took time out to go around the various centres and to talk to people and the local authorities involved. He did everything that he could to support his constituents in the emergency. I join him in paying tribute to BBC Radio Cumbria, which did a sterling job in passing on information and keeping people informed.

I assure my hon. Friend that a full and complete assessment will be made of the response to the emergency when the flood's immediate effects have been dealt with. There will be time then to begin the process of identifying any weaknesses in the warning system. If any such weaknesses are found, they will need to be rectified.

My Department has been in touch with the ABI which, along with many individual insurance companies, has a lot of experience with such problems. The record in relation to getting assessors out to people quickly is good. Assessments are made quickly so that people can get builders in and begin to replace damaged goods. I am sure that the ABI will take note of what has been said and that it will act accordingly.

As I said, local authorities will take the lead in the post-flood recovery programme. However, I have asked the Government office for the north-west to work with local authorities and the local regional development agency to determine what support it can give and which issues need to be addressed. I am sorry to hear what my hon. Friend says about United Utilities Water. Its staff worked around the clock and did a fantastic job in reconnecting a severely damaged electricity sub-station as quickly as possible. It is possible that some of the good will gained could be lost if there are difficulties over the detail of the agreed compensation packages. I assure my hon. Friend that I will draw his comments to the attention of colleagues in the Department of Trade and Industry, who I am sure will want to examine what he has said.

Finally, I accept that much attention is given to the immediate consequences of a flood. There is a lot of media attention, and people show a great deal of support at that time, but afterwards—when the clean-up and repair work is started—people can feel that they have been forgotten. I want to assure the people of Carlisle and the other affected areas that they will not be forgotten. I shall certainly look at my diary, with a view to returning to the area to see how the recovery process is progressing.

Norman Baker (Lewes) (LD): I also express, on behalf of my Liberal Democrat colleagues, my sympathy to the people of Carlisle and the neighbouring areas. The severe weather at the weekend must have been a dreadful experience, especially for the families who sadly lost their lives. I also want to endorse the thanks that have been extended to the emergency services, the local and central Government agencies that have been involved, and the voluntary sector. The help that has been given has been invaluable, as it has been on other occasions elsewhere in the country.

It is important to restore life to normal as soon as possible. I welcome what the Minister said in that regard, and I recognise the work that he and his colleagues in DEFRA and other Departments are doing.

The Minister spoke about the lessons to be learned. Does he agree that, in essence, there are two such lessons? The first is that we must accelerate even more our proactive efforts to put in place measures to tackle and limit the impact of climate change. The Minister will be aware that the Government's chief scientist, Sir David King, believes that flooding will be the first manifestation of that change to affect this country in an extensive manner.

That is already beginning to happen. I asked a parliamentary question about how many times the Thames barrier has been opened. I was told that the figure has risen from two or three times a year in the 1980s to a projected 325 times a year by the end of this century. It is clear that we are going to have major problems with water and flooding in this century.

The second lesson is that we must take measures to deal with the consequences of climate change, and to limit as far as possible the impact that it has on individuals and communities. I agree with the Minister that it is impossible to eliminate all floods all the time, but does he agree that there is a need to improve flood defences even faster than the current rate? I acknowledge that the Government have put more money into that, and that they have sorted out some of the delivery problems. However, even more must be done, because the risks are increasing dramatically.

Will the Minister tell the people of Carlisle when they are likely to have flood defences in place that will eliminate the greater part of the risk that they face at present? Will he reflect on what happened in the year 2000, when another series of severe floods hit Britain? My constituency of Lewes, and other areas, were badly hit, and the Deputy Prime Minister regarded what happened as a wake-up call. How many of the towns affected in 2000 have flood defence schemes in place now? How many have had such schemes authorised, and in how many areas has nothing been done?

With the best will in the world—and I accept that the Government are doing their best in many respects—I fear that we have not made as much progress as we should have done. Lewes in my constituency has had only a tiny part of the necessary flood defence work completed. Nothing else has been approved, but once again we have floods up to the bridge today.

Will the Minister look again at PPG25, paying particular regard to the Deputy Prime Minister's so-called sustainable communities east of London? Will he quantify the additional flood risk that will be caused by those communities if they are built in the way that has been set out?

Will the Minister encourage insurance companies to continue to provide cover for people in Carlisle and elsewhere? He will know that, after 2000, there was some dispute about whether cover should be provided for flood-affected properties. It can be a very unwelcome realisation for people who have been flooded to discover that they can have no insurance subsequently. Will he encourage the insurance industry to be creative in its response? Companies should not go for like-for-like replacements but should, for example, move electrical sockets up from floorboard level and place them higher up walls to minimise the impact of any future flood.

Britain will suffer more, and more severe, flooding in the future. The Government have begun to move on the matter, but we have not yet seen the step change that we need.

Mr. Morley: The hon. Gentleman is right about the implications of climate change. The Prime Minister has given a very clear and international lead on this matter. It is one of the key themes of our G8 presidency, and I have already mentioned the conference that we will hold. The matter will be discussed at a joint conference for Environment and Development Ministers—the first of its kind to be held under the aegis of the G8. Some of the developing economies, such as Brazil, India and China, will also be invited to participate in the conference, at which climate change will be one of the subjects for discussion.

Consultations in respect of the Carlisle flood defence scheme are already well advanced, as the process was already under way. The effects of the recent events on Carlisle will be taken into account when the scheme is designed. I hope that the matter can be progressed as quickly as humanly possible. In Carlisle, I was accompanied by Sir John Harman, the chair of the Environment Agency, who said that the scheme would be examined to determine how it could be taken forward as smoothly as possible.

I understand the point made about Lewes, but I can tell the hon. Member for Lewes (Norman Baker) that if he were to table a parliamentary question on this matter, I think that he would find that every community affected in 2000 either has a flood defence scheme in place now, or that there is one being put in place. In those areas where such schemes are not possible for technical reasons, we have put in place catchment area plans, and we have also made use of temporary, portable barriers with some success.

Our record is a good one. Spending has increased from some £300 million in 1997 to a projected £570 million this year. That is a significant investment in respect of flood defence. The hon. Member for Lewes asked whether it was possible to take things forward more quickly, but it is likely that the level of spending now implemented will absorb our total capacity when it comes to engineers and consultants. Moreover, the design and planning processes must also be taken into account. Unfortunately, neither of those processes is quick, but they are both necessary and important. Sometimes technical issues arise. For example, one complication in Lewes involved the question of which of the various riparian owners were responsible for the town's walls. That is another dimension that has to be taken into account. We have the latest strategy, which has been sent to DEFRA, and we are considering it in relation to Lewes.

With reference to insurance, the Association of British Insurers issued a statement of principles, whereby its members would continue to provide insurance because of the continued investment by the Government. The Government have met their side of the bargain, and I am glad to say that with that statement the ABI has done so too.

David Maclean (Penrith and The Border) (Con): I begin by passing on my condolences to the families of Margaret Threlkeld, Margaret Porter and my own constituent Michael Scott, who tragically lost their lives in the severe weather. I pass on my commiserations to all the thousands affected in Carlisle and to those in my constituency—in Penrith, Appleby and other parts—who have also been badly affected.

The emergency services performed magnificently, as we always expect them to. I also pay tribute to the excellent response of Cumbria county council and the superb emergency centre that it set up rather quickly, and to the actions of Carlisle city council. The voluntary

[David Maclean]

sector was mentioned by the Minister, but I do not know whether people are aware of the huge amount of work done by the Salvation Army, the Women's Royal Voluntary Service and many others, and hundreds of people who are not part of the voluntary sector but just came along to help and brought their little boats to rescue people.

The Minister indicated that there would be emergency help for Cumbria, and that he might be willing to come back to the area. May I suggest a way in which he could help? For the Bellwin formula to trigger, Cumbria county council would have to spend £975,000. The clean-up costs and all the other costs will be enormous but will probably not come to that. They may come to £500,000 or even £800,000, in which case the Government will not contribute a penny. In view of the fact that the Cumbria rate support grant has been severely squeezed by the Government, if the Minister were to pay the £6 million that DEFRA still owes Cumbria from the foot and mouth compensation money which it is still outrageously refusing to pay, Cumbria would get the funding that it requires, he would not have to worry about the Bellwin scheme, justice would be done by all, and all Cumbrians, who have borne the events of the past few days with fortitude and courage, would be content that the Government had behaved fairly. Bring the cheque for the £6 million Minister, and Cumbrians will be content.

Mr. Morley: I shall deal with that point in a moment. I agree that the emergency service response was excellent. The gold command centre was set up quickly and the Carlisle plan was implemented. That is a result of the emergency planning put in place following the Bye report, which is regularly implemented. Wherever there has been a major event—I have attended nearly all of them since 1997—that has been applied effectively and efficiently.

On the Bellwin costs, I understand what the right hon. Gentleman says about Cumbria county council. The Bellwin formula was designed by the previous Government, so he will be aware that all local authorities are expected to have within their contingency funds an element for emergencies. That is an obligation. The idea of the Bellwin formula is that there is an expenditure threshold, as the right hon. Gentleman rightly stated. Carlisle city council will have a contingency for emergencies, but we would not expect that to cover the costs of what has happened in Carlisle. It is inevitable that Carlisle city council will qualify for the Bellwin formula.

Local authorities are not being penalised. It is a rule that they must all hold in their reserves contingency funds for emergencies. If the costs go over the agreed level, the Government start to pick up 85 per cent. of the relevant costs. That is not a new scheme; it has been established for many years, following discussion with the Local Government Association.

The right hon. Gentleman mentions the £6 million which is in dispute between the waste disposal company owned by Cumbria county council and DEFRA. He surely would not expect any Government to pay out sums of money unless there were proper invoices and agreements that had been properly approved and properly applied. To pay out money without those normal accounting methods and procedures is an irresponsible use of public funds. If that is the attitude of the Conservative party towards anybody—whether a private or a public company—who gives them a gigantic bill without the proper accounting and says "Pay up!", that bodes badly for the future of the Conservatives.

Mr. Peter Atkinson (Hexham) (Con): I join colleagues in thanking the Minister and his staff for their concern over the weekend and subsequently for the plight of the people of Hexham and surrounding villages, who lost their water supply, ironically, because of the flooding of the River Tyne. Although many businesses have had to shut and are facing losses, the majority of the population have faced the crisis with remarkable stoicism and good humour. I place on record their thanks for all the efforts of the emergency services, the Environment Agency and particularly Northumbrian Water, whose employees have worked tirelessly day and night to restore supplies and provide emergency supplies very efficiently.

For people who have lost their water supply, hopefully it will be reconnected within a day or two, but for those whose homes were flooded, it will be many months before they overcome the damage that has been caused. When the immediate crisis is over and the Minister takes a calm look at what happened, will he look particularly at the situation regarding the protective walls at Corbridge and Warden, where they were breached, to see whether anything should have been done? There was a suggestion—whether it is true, I do not know—that the banks at Corbridge were damaged by burrowing rabbits over the years and weakened as a consequence. Will the Minister also consider whether the warning system that was in place was adequate?

Mr. Morley: I can give the hon. Gentleman an assurance that we will look at the situation at Corbridge. It sounds as if repairs to the defences will be needed, and I am sure that the Environment Agency will look into that. As he rightly says, when the emergency situation in Cumbria has been dealt with, those are the sort of issues that we will want to examine. If rectification is needed, we will consider the steps that need to be taken.

Many hon. Members in the Cumbria area have been affected. I have spoken to a number of them, particularly my hon. Friend the Member for Workington (Tony Cunningham), who contacted me over the weekend on behalf of his constituents in relation to the effects that many people had suffered across the Cumbrian region because of the gales and the extreme weather. We take such matters seriously and when the situation improves, all these aspects will be examined in detail.

Mr. Tim Collins (Westmorland and Lonsdale) (Con): Of the 5,500 people in Cumbria who were without power this morning, 1,500 are in my constituency. If the Minister intends to have a word with United Utilities or to invite his colleagues at the Department of Trade and Industry to do so, will he congratulate the engineers on the sterling work that they have been doing by working until 3 am reconnecting people, and suggest that United Utilities needs to improve its call centre, which has not

been very efficient in giving accurate and timely information to people who have been extremely concerned about when or whether they will be reconnected?

Will the Minister make it clear that any financial assistance that the Government make available to local authorities will be available to all local authorities in Cumbria that have incurred exceptional costs as a result of these events, specifically including South Lakeland district council? Finally, given that further very severe weather is expected tonight and early tomorrow morning, what steps has the Minister taken in the past 48 hours, which have been working days, in consultation with local authorities there to prepare for a possible repetition of recent events in the next few hours?

Mr. Morley: I join the hon. Gentleman in congratulating the engineers of United Utilities who have indeed worked around the clock. I met some of its engineers; they were based in the gold command so that there could be liaison on the work that was being done. They were also able to give me a full and detailed briefing on the situation and on what they were doing to reconnect power.

I can certainly confirm that the Bellwin scheme will apply to any authority in the Cumbrian region that qualifies under the criteria. If there is additional expense above the agreed threshold, any local authority is entitled to make a claim within the one month qualifying period.

I am sure that the hon. Gentleman's comments about the call centre will be taken into account by the DTI. Just as we shall evaluate the response of the Government and of public bodies, I am sure that utility companies, too, will in due course want to evaluate their response.

Point of Order

3.19 pm

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): On a point of order, Madam Deputy Speaker. You will be aware that each of the statements, and the urgent question, is important; not one of us would in any way resile from the need to discuss those matters on the Floor of the House. However, the difficulty is that we are about to take the Second Reading of a major piece of legislation, so may I ask you, Madam Deputy Speaker, to draw the attention of the Leader of the House and the House authorities to the fact that taking three statements and an urgent question, one after the other, pushes back the time available to Members to discuss an important piece of legislation?

Madam Deputy Speaker (Sylvia Heal): I certainly note the hon. Lady's comments and I will bring them to the attention of the Leader of the House and the House authorities.

Orders of the Day

Road Safety Bill

[Relevant documents: The Sixteenth Report from the Transport Committee, Session 2003–04, on Traffic Law and its Enforcement (HC 105-I), and the Government reply thereto, Cm 6442]

Order for Second Reading read.

3.20 pm

The Secretary of State for Scotland (Mr. Alistair Darling): I beg to move, That the Bill be now read a Second time.

The Bill takes forward legislation that will, I hope, help to reduce the number of deaths and injuries that occur every day on the roads and to improve road safety for all road users.

The UK has one of the best road safety records in the world. It is a record that most EU countries, for example, strive to match. We are better than the United States and the Australians, and on a par with Sweden and the Netherlands, yet the fact remains that 10 people are killed on our roads every day. It is against that background that I ask the House to consider the Bill.

Like successive Governments, this Government are committed to reducing the number of people killed and seriously injured. That is why, in March 2000, we set out a strategy to deliver substantial reductions in road casualties. I remind the House of the targets we set: a 40 per cent. reduction in all road casualties by 2010, with a 50 per cent. reduction in the number of children who are killed or seriously injured.

Good progress has been made. For example, in 2003 we saw a 6 per cent. fall in the number of people killed or seriously injured—the biggest annual drop since the road safety strategy was launched four years ago. By 2003, the number of people killed or seriously injured had fallen by 20 per cent., which means we are about halfway towards our 40 per cent. target for 2010, and the number of children killed or seriously injured had fallen to just over 4,100, which is more than three quarters of the way towards achieving the 50 per cent. reduction target for children.

Despite that welcome progress, too many people are killed or seriously injured.

Mr. Denis Murphy (Wansbeck) (Lab): I am sure that my right hon. Friend will be aware of the tragic case in my constituency in which a young child, Rebecca Sawyer, was killed and her family seriously injured by a hit and run driver. The individual responsible had 89 previous convictions, one of which was for causing death by dangerous driving. Does my right hon. Friend agree that the public need to be protected from such individuals, who kill and maim? As the Bill passes through the parliamentary process, will he examine in detail the possibility of introducing a new offence of causing death by aggravated dangerous driving, which could carry a maximum sentence of life imprisonment?

Mr. Darling: We all have the greatest sympathy for the family who were affected by that accident, and my hon. Friend is right to draw attention to the fact that many people are needlessly killed or seriously injured by bad driving. As a result of changes that have been made, the maximum penalty is, I think, 14 years for causing death by dangerous driving. The Home Office is considering whether a series of aggravated offences should be introduced. Such offences are not in the Bill because the issue is still being looked at and further consideration is necessary, but most hon. Members would hope that the courts take incidents that involve death or serious injury on the road very seriously indeed. Someone who kills someone else using a car is just as guilty and just as culpable as someone who uses a weapon to do so. My hon. Friend is right to draw attention to what is happening.

Mr. Paul Stinchcombe (Wellingborough) (Lab): My right hon. Friend mentioned the ongoing Home Office review of the various offences where death is caused by bad driving. Will he prevail on the Home Office to look at an offence of causing death by careless driving? He might have already received a letter from my constituents, Mr. and Mrs. Melnik, about the tragic death of their 17-year-old daughter, who was killed recently by a careless driver. As no offence of causing death by careless driving is known to English law, the driver could not be charged with any offence that marked the fact of her death at all. He could only be fined—a price paid for the loss of a life caused by criminal negligence of just £500.

Mr. Darling: Again, I have a great deal of sympathy with what my hon. Friend says. The Home Office and my Department are looking at aggravated offences, because it is important that society can show its disapproval when someone causes death in that way. As I said just a few moments ago, killing someone with a car, where someone is culpable, needs to be dealt with. It needs to be treated by the courts with the utmost seriousness and, where necessary, exemplary sentences ought to be imposed. We should be very clear about the fact that someone who drives dangerously or carelessly and causes the death of someone who would otherwise be alive is just as guilty as if they took a weapon to them, resulting in their death.

Dr. Brian Iddon (Bolton, South-East) (Lab) *rose—*

Mr. Darling: I will give way; then I want to make some progress.

Dr. Iddon: I am sorry to delay the Secretary of State. My constituency has a particularly bad accident record, and we are very grateful to the Government for giving the local authority £750,000 as a pilot measure. In 18 months, there have been six very tragic incidents in my constituency of death by dangerous driving, some of which I have raised on other occasions on the Floor of the House. The Home Office is reviewing the sentences for causing death by dangerous driving. I know that that is not my right hon. Friend's Department, but is he able to say when we are likely to know the outcome of the review?

Mr. Darling: I cannot give my hon. Friend a precise date on which the Home Office will conclude its review, but Ministers are well aware, both from their

constituency experience and from what my hon. Friend and others have said in the House, that people want us to make proposals as quickly as is reasonably possible. It is important that we get such things right. Equally, as I said, despite the fact that our overall record is better than that of many other countries, today, like every other day, nine or 10 people will be killed on our roads, and many of those accidents are avoidable.

There is no single solution to reducing the number of road accidents, and the right approach relies on a number of different measures. That is what we are doing: we are continuing to implement measures—for example, more local safety schemes. We are continuing to roll out the safety camera programme. We are involved in the greater promotion of road safety under the Think! advertising campaign. Indeed, a new phase of the television advertising campaign is starting today in relation to speed.

We are also considering measures that can improve the dreadful statistics on motor cycle accidents. Although motor cyclists account for 1 per cent. of road users, they account for 20 per cent. of deaths and serious injuries on the roads. In particular, there is a need to get across to people who use motor cycles, sometimes infrequently, the fact that, used the wrong way, motor cycles can cause the death of the motor cyclist and, indeed, other road users.

Mr. Ian Liddell-Grainger (Bridgwater) (Con): One of the problems in the rural area that I represent is that websites are now challenging motor cyclists to compete at high speed in a circuit. We lost five motor cyclists in fatal crashes in the area last year. We have tried to get the websites shut down, with the help of the Home Secretary, but have failed. Will the Secretary of State please look to see whether we can do something about such things, which are killing people?

Mr. Darling: We are aware of those websites, and many hon. Members will have seen them. The problem is that people are encouraged to use motor cycles—sometimes they are not used to riding powerful machines—in places where they are led to believe that they can go fast, when there is some sort of challenge, and they end up killing themselves and others. As I said, motor cyclists account for 20 per cent. of deaths and serious injuries on the roads. Over the past year or so, the statistics have been going the wrong way and there has been a rise in the number of motor cyclists killed or seriously injured.

The hon. Gentleman knows that stopping people putting things on websites is easier said than done. There is sometimes a fine line between what is acceptable and unacceptable. I am aware that in constituencies such as the hon. Gentleman's and others, especially if people visit them at weekends and so on, there has been an alarming rise in motor cycle deaths. The Government take that seriously, as should society. It is not just about the individuals involved, but about others as well.

David Taylor (North-West Leicestershire) (Lab/Co-op): There have been motor cycling fatalities in my constituency in recent months. Has my right hon. Friend considered the suggestion of Brake and other organisations that we should re-test born-again bikers, as they are sometimes called, who take up motor bike riding after a period of inactivity, to ensure that they have appropriate and up-to-date experience for the bike they ride? Will he also consider the role of protective clothing, which would help to reduce the number of serious injuries?

Mr. Darling: My hon. Friend may be aware that motor cycling organisations have put a number of proposals to the Government, one of which is a further test before someone drives a larger or more powerful motor bike. When I first looked at this matter I was surprised to find that someone such as me, who has held a driving licence for 30 years and has never driven a motor bike, could buy a powerful machine and ride off on it tomorrow morning. The chances are that if I was not used to it I could get into difficulties. We want to consider that. I am bound to say to my hon. Friend, however, that I do not know how we would decide whether someone was a born-again motor cyclist as opposed to another sort of motor cyclist.

We must tread a fine line between allowing people to enjoy what can be the extremely pleasurable activity of using their motor bikes while at the same time protecting them and road users. I again remind the House that motor cyclists account for 1 per cent. of road users but 20 per cent. of deaths and serious injuries. If we are serious about making further inroads into road casualties, we need to consider that. Like everything else, none of these things is without difficulties. However, my hon. Friend is right to draw attention to those suggestions.

There are three strands to the Bill, the first of which addresses the problem of bad or irresponsible driving through better detection, better enforcement and more effective penalties. The second clamps down on motorists who break the law—for example, by driving without insurance or using cars, vans or lorries that are unroadworthy. The third, of course, raises driving standards and improves awareness through better education and training.

Mr. Gerry Steinberg (City of Durham) (Lab): I suspect that, like me, every Member of Parliament has had a constituent who was killed by someone driving dangerously. With great respect to the Secretary of State, it is all right being sympathetic but, frankly, the Government do not take notice of Back Benchers. My hon. Friend the Member for Wansbeck (Mr. Murphy) outlined his incident. I can give one exactly the same.

We have debated the subject in the Chamber and Westminster Hall. We have received sympathy all along the line from Home Secretaries. I have met two Home Secretaries in the past four years and still nothing is being done. Week after week, our constituents are murdered by criminals on the road. It is not good enough for the Secretary of State to give us sympathy. We are not after that. We are after justice. It is about time that it was recognised that virtually every Member of Parliament wants something done about people who break the law in their cars and murder our constituents. It is like allowing them to do what they like with a gun.

Mr. Darling: I do not disagree with my hon. Friend. I said earlier that I find it difficult to make an intellectual differentiation between a person who sets out with a gun and shoots someone and a person who drives

[Mr. Darling]

irresponsibly or dangerously and ends up killing someone. I said that the penalties for causing death by dangerous driving have been increased, but I do not agree with my hon. Friend that nothing has been happening. Although deaths have been increased slightly, serious injuries have fallen. We have introduced a range of measures, and there are further measures in the Bill that I hope to discuss in the not too distant future which will help. Three things are necessary—education and awareness; making sure that there is the right range of offences and penalties; and—this is not in the hands of the House and the Government—ensuring that people who administer the judicial system use the available powers so that if someone kills someone else, as my hon. Friend described, an appropriate penalty is visited on them. Road traffic offences should not be regarded as lesser offences. People are often left with the impression that although a death has been caused the perpetrator is dealt with quite differently from someone who sets out with a gun or something else.

Rob Marris (Wolverhampton, South-West) (Lab): Will my right hon. Friend give way?

Mr. Darling: I am mindful of the point of order raised by my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), and would like to make progress. I shall try, however, to let everyone who wishes to intervene do so.

The first strand in the Bill tackles bad or reckless standards of driving. Research has shown that driver behaviour is a key factor in about half of all car fatalities. Excessive speeding needs to be addressed, because over 1,000 people are killed and over 38,000 are seriously injured every year as a result of speeding. The use of safety cameras is controversial and has been the subject of a great deal of discussion in the House over the past year. However, I repeat that cameras are one way of addressing speeding and road safety, provided that they are effectively placed. The latest independent research, which I presented to the House last June, shows that there has been a 40 per cent. reduction in deaths and serious injuries at safety camera sites. Cameras are, of course, only one of a number of measures, but we are right to continue a policy introduced by the previous Government—until fairly recently, it received bipartisan support—as all the evidence shows that cameras reduce accidents.

Research suggests that the greatest reduction in road casualties would result from reducing excessive speeding. The Bill allows us to vary the system of penalty points to see what can be done further to discourage people from speeding excessively. That is controversial, so I shall I shall say a word about it. The Bill allows for a graduated structure of fixed penalty points. It does not introduce them, but it allows us, after statutory consultation, to introduce an order that would provide for a variable system of penalty points and fines. I made it clear in the preliminary discussion document that we published last September that there should be a variable system of penalty points and fines to make sure that the punishment fits the nature of the crime.

Several hon. Members *rose—*

Mr. Darling: I said that there would be interest in the matter, and I am happy to deal with all the points that my hon. Friends wish to make. However, first, I shall make two points. The Bill allows for a system of graduation, and the preliminary discussion document showed that a majority of people thought that a graduated system of penalty points was a good thing. It is fair to say that there is a division about how that graduation should work. The Bill, however, makes it possible to introduce a graduated system, which is essential. Once the Bill has become law, we will have a discussion about the nature of the scheme.

Rob Marris: I am grateful to my right hon. Friend for his patience. A pedestrian hit at 20 mph has a 95 per cent. chance of survival, one hit at 30 mph has a 50 per cent. chance of survival, but one hit at 40 mph has a 10 per cent. chance of survival. I support the concept of graduated fixed penalties but, under clause 16, the Secretary of State seems to be suggesting a reduction in the penalty for some speeding from three points to two points. I am bemused by that, particularly in the light of what he said this afternoon about the seriousness with which he views speeding and the death that can result. The House might send the wrong message if it dropped the penalty for speeding from three to two points.

Mr. Darling: Last September, I made it clear that I think it important that any penalty regime distinguishes between somebody who is just over the speed limit and somebody who had driven far too fast, especially in built-up areas. The point that I made then, which I repeat today, is that if someone is not caught by a speed camera, but is instead sent to court, the court itself makes that distinction, depending on the circumstances.

It comes down to whether or not we believe that by having a two-point penalty and a £40 fine, as opposed to a three-point penalty and a £60 fine, drivers will say, "Oh, it is all right. I don't care." Most drivers start with the assumption that they do not want any penalty points or any fines. The point of the discussion document, which I introduced to find out people's views, was to see whether support exists for graduation, and the answer is yes.

Outside built-up areas, there is less of an argument, but in built-up areas people ask, "Is it right to impose a two-point penalty and a 30 to 40 mph speed limit?" Having considered that question for some weeks, the matter turns on whether people believe that a two-point penalty, as opposed to a three-point penalty, means that someone will be more likely to speed—in other words, the difference is one point. I take a different view from my hon. Friend's and happen to believe that the proposal that I introduced in September is right.

Today, we are dealing with a Bill that allows graduation. Some people—not, I think, the majority—say "no graduation at all", and their position is straightforward. After the Bill is enacted, we will be obliged to consult by statute. People must be able to see fairness and proportion in all laws, but I do not believe that the one-point difference that we are discussing, will mean that lots of people say, "Well, it is all right to break a 30 mph speed limit." I do not think that I am being inconsistent—I would say that—but I understand my hon. Friend's point.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): I want to push my right hon. Friend on that point. In the context of clause 16, is he therefore saying that he is open to persuasion that the arguments set out by my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) might be a better solution than his initial feeling that a move down is possible? Is he open to persuasion, or is he taking a fixed view at this stage?

Mr. Darling: It will clearly be for the Secretary of State to decide the Government's final view after the Bill has been enacted. Last September, I recognised that the issue is controversial, but I thought that my proposal was fairer and more appropriate. However, it is self-evident that not only Second Reading, but Committee and the rest of the proceedings should be used to raise those issues in the House of Commons, and I am sure that my hon. Friend and others will make their views clear.

At the moment, my view remains that my proposal from last September is reasonable, but we must consult formally, and when we consult there will be a specific proposal which will allow everybody concerned, whether organisations or individuals, to come forward, and the House will form a view. Throughout the past year or so, speed cameras have been a controversial issue. People understand that a balance must be struck between being fair to all of us, including those of us who drive, and remembering the purpose of speed cameras, which is to save lives. That point underpins my whole approach. We have to be fair and take people with us, but let us not lose sight of the fact that speed cameras do save lives and reduce serious injury. It is good that since we published the figures last summer we have heard rather less of the hysterical talk about removing every speed camera wherever it is.

The Bill has other provisions on developing and using retraining courses for more serious speeding offences. They are based on the successful drink-drive rehabilitation schemes and are set out in clauses 24 and 25.

Ms Sally Keeble (Northampton, North) (Lab): Can my right hon. Friend tell us about the Government's thinking on drink-driving, especially in relation to discussions with the Home Office about increased sentences for drink-driving and increased sanctions for uninsured or even unlicensed drivers, as in the major problem of kids taking cars and joyriding?

Mr. Darling: I will move on to insurance and roadworthy vehicles in a moment.

Drink-driving is obviously a matter of major concern, and we continue to have discussions with colleagues in the Home Office in relation to that offence. It is worth bearing in mind the fact that despite all the campaigns of the past 30 years, alcohol is a factor in nearly one in seven of all fatal crashes—that is, nearly 500 deaths a year. That must be dealt with. Up to 20 per cent. of those drink-drive convictions concern the cases that my hon. Friend the Member for Northampton, North (Ms Keeble) is particularly worried about, involving repeat offenders who are predominantly younger male drivers. We must not only improve education, but improve detection and increase the number of people who are caught drinking and driving.

Mr. David Kidney (Stafford) (Lab): Will my right hon. Friend give way?

Mr. Darling: I want to set out what we are doing, and then I will give way to my hon. Friend.

The Bill provides for the introduction of roadside evidential breath-testing, which is far more efficient—it avoids the visit to the police station and saves police time—and more effective. There is a secondary power under which we intend to make repeat drink-driving offenders—for instance, someone who is automatically banned for three years after a second conviction—retake their driving tests. That is justified. We are also making provisions concerning serious offenders in relation to their medical examinations, as there is a loophole there that needs to be closed. Finally, we are allowing for the future use of alcohol ignition interlocks, which have been shown to be effective in discouraging reoffenders in other countries. Those provisions are set out in clauses 14 and 15.

Mr. Kidney: I support those three measures.

In 1998, when the Department for Transport was part of the Department of the Environment, Transport and the Regions, it estimated that lowering the legal limit from 80 to 50 would save about 50 lives a year. Has my right hon. Friend's Department updated that estimate to today?

Mr. Darling: We continually keep the level of the limit under review. Most of the people with whom we deal are way above 80. Obviously, if the limit were lowered additional people would, by definition, be caught by it. However, at the moment the Government believe that the right level is 80. We always keep such matters under review. I am very conscious of the fact that our problem in this country, sadly, is that people are often not just over the limit—there would be a stronger argument for a reduction if we were catching a lot of people on 82 or 85—but way over the limit. The people we must really have a go at are those who do not just do it once but are caught and second and a third time. The bigger problem, which I suspect would occur even were the limit dropped to, say, 50, concerns the people who believe that they can have one or two drinks and it will be all right. In some cases it is not all right.

For a long time, I thought that we were reaching a situation in which drinking and driving would become socially unacceptable—that people simply would not put up with it and peer group pressure would take effect. Sadly, however, there appears to be a trend, especially among younger people, of saying, "It doesn't matter." We need to get it across to people that drinking and driving can kill the driver, the driver's friends and others. We will keep the level under review but the Government currently believe that it is set at the right amount and have no plans to change it.

Peter Bottomley (Worthing, West) (Con): I believe that the Government are right to keep that under review and not to make a change. Since 1979, the number of

[Peter Bottomley]

deaths that have occurred when the driver or rider is above the existing legal limit has decreased from approximately 1,800 a year to around 500. Even if the lower limit would bring the drivers involved in another 50 deaths into the ambit of the law, it is far better, as the Secretary of State said, to concentrate on those who are over the current legal limit or have consumed twice that. Cultural change needs to continue so that drink driving does not go on even at its current rate.

Will the right hon. Gentleman report to the House if it transpires that countries with a lower legal limit turn out to have fewer drink driving deaths than us? While we continue to have fewer deaths than those countries, it is better to continue with an effective policy rather than do things that simply change numbers, not behaviour.

Mr. Darling: I should certainly report to the House if such evidence emerged. However, the evidence, especially in continental Europe, does not show fewer deaths. My counterpart in France has been here to see what we do, because drinking and driving in France is a serious offence. Some countries in other parts of Europe have lower limits but no automatic disqualification. Drinking and driving is so important that it is right to signify our concern and disapproval through automatic disqualification of someone who is caught doing it. Of course, we will examine evidence not only from the rest of Europe but other parts of the world.

Two things will make a difference. The first is repeating the message that drinking and driving can kill. Secondly, if people believe that they are more likely to get caught than not, it concentrates the mind wonderfully. I therefore welcome the fact that many chief constables are turning their attention to the matter and recognising that it is a problem that needs to be tackled and regarded as seriously as other crimes.

I said that the Bill will increase penalties. The penalty for careless driving will increase from £2,500 to £5,000. Driving using a hand-held mobile phone will become an endorsable offence. We will also unify the penalties for seat-belt offences in relation to children. There is currently a lesser penalty for not wearing a seat belt in the back seat than for not wearing one in the front seat. There is no good reason for that. We will also introduce a mandatory disqualification for a second offence of using a vehicle in a dangerous condition.

We believe that those measures taken together will send a clear message to those who persist in driving recklessly or irresponsibly.

The second strand of measures clamps down on drivers who do not respect the rules of the road. Recent research has shown that unlicensed drivers are six to nine times more likely to have an accident than drivers with road tax. We need to deal more effectively with the one in 20 drivers who currently drive without insurance. We know from experience that they are high risk drivers who impose costs on the rest of us and can also cost lives. That is why the Bill includes several provisions to tighten up the regime.

The Bill will enable the police to make use of data already held by the motor insurance industry about vehicles that are not insured. Furthermore, for the first time, the police will be given the power to seize and dispose of vehicles that are uninsured, as part of the Serious Organised Crime and Police Bill, which is currently in Committee.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Does the Secretary of State accept that, although it is important to change the law to ensure that the Data Protection Act 1998 does not impede fining people who drive unlicensed or uninsured, it is equally important that people who operate the system are aware of the law? When the Select Committee took evidence on that, we found a great deal of confusion about the state of the law.

Mr. Darling: There is much to be said for clarity about the law, no matter what subject we tackle, but I agree with my hon. Friend and we clearly need to attend to the problem. It is important to stress that, shortly, especially when the MOT computerisation programme is completed, the police will be able to tell whether a car has got its MOT, whether it is taxed and whether the driver is insured. That information has not hitherto been available on a database to police officers, but it will be shortly. This will cut down on evasion. It will also make it easier for the police to take action if they find someone driving without insurance, a licence or an MOT.

Kevin Brennan (Cardiff, West) (Lab): Will the Secretary of State consider the problem of people who seek to avoid more serious charges by failing to identify who was driving a vehicle at the time of an incident? In a recent case, a constituent of mine, Tony Davies, was the innocent victim of a road traffic accident in which the two people in the other vehicle refused to identify who had been driving and got off with a lighter charge as a result. What plans does the Secretary of State have to deal with this issue?

Mr. Darling: The Bill contains provisions to deal with that problem. Failure to disclose who was driving will result in a penalty of six points. My hon. Friend is right; at the moment, it might be open to a serious offender to refuse to identify who had been driving because they could get off with a lesser penalty as a result.

We wish also to provide a new system of endorsement of driving licences that will allow non-Great Britain licence holders to be given fixed penalties for traffic offences. We are also seeking powers that would allow the police and other officers to take a deposit from non-GB licence holders in lieu of a fixed penalty, or pending a court hearing. This will ensure that overseas truck drivers do not escape punishment when they commit offences, as can happen too easily now. We are also seeking the power to enable the disclosure of driver and vehicle data to foreign authorities, when that would be important.

Ms Keeble: In regard to HGV drivers coming from abroad, will there be any discussions in Europe to ensure that the requirements are equalised? I am referring in particular to the restriction on insulin-dependent diabetics.

Mr. Darling: Yes, such discussions are continuing with a view to reaching an agreement on those issues. As traffic between this country and the rest of Europe

increases, it is only sensible to try to ensure that people are treated in the same way. We particularly want to avoid a situation in which, for very good reasons, someone could be dealt with quite strictly here but could escape if they went elsewhere. This would benefit all the countries involved, and those discussions are taking place at the moment.

Mr. David Marshall (Glasgow, Shettleston) (Lab): Further to the point that my hon. Friend the Member for Northampton, North (Ms Keeble) has just made on HGVs, the Secretary of State has not yet mentioned any measures relating to these vehicles. They are involved in a high number of accidents, especially during the night. These accidents often involve side impacts, and many of the drivers involved have said that this is because they did not see the HGV until it was too late. Has my right hon. Friend seen the evidence submitted by the organisation Reflect, which calls for ECE 104 to become mandatory in the UK? This would require retro-reflective markings to be fitted to the sides of all HGVs. Does he accept that this is a good suggestion, and that that provision should be introduced throughout the whole of the EU?

Mr. Darling: I have seen some of that evidence, and I know that it has been considered in Germany in particular. My understanding is that the evidence is still being evaluated, and that it is not overwhelming. However, the Government will look very seriously at anything that would reduce the number of accidents involving HGVs. My hon. Friend is right to say that HGVs are involved in a number of accidents, and we need to consider what we can do to reduce that number.

The Bill will give the police and other authorities greater powers to deal with problems on the roads. This is supported by a strategy published this morning by my Department and the Home Office, which reaffirms road policing as a priority area.

The last strand of the Bill contains measures to improve driving standards, which is one of the most important elements of what we are doing. It is a fact that young and newly qualified drivers have a greater likelihood of being involved in an accident in their first year of driving. Indeed, one in five accidents involve a driver who has passed their test in the preceding year. Furthermore, 17 to 21-year-olds represent about 6 per cent. of licence holders, yet they are involved in about 12 per cent. of all injury accidents.

The Bill will put in place measures to provide for higher standards for professional driving instructors and to regulate driving schools, including not only those who give instruction, but franchisees as well as employees. The aim is to ensure that drivers and riders of all types of motor vehicles are tested in accordance with the demands of today's traffic conditions.

In conclusion, the Bill will help to create a safer and fairer environment for motorists. It will provide additional protection for all road users, but especially the more vulnerable groups of pedestrians and cyclists.

Mr. David Drew (Stroud) (Lab/Co-op): Will my right hon. Friend give way?

Mr. Darling: I shall take one further point, and then I think that I shall stop.

Mr. Drew: My right hon. Friend has not really mentioned the impact of motorists' road safety on pedestrians and cyclists. When cyclists are involved in road accidents, it is always up to them to prove that a motorist was the guilty party—one presumes innocence before guilt—but that can often be difficult. What additional measures will be put in place to protect cyclists and give them fair chances?

Mr. Darling: My law might be a bit rusty because it is 18 years since I practised it, but I think that it is always necessary to prove the guilt of anyone involved in a road accident, so not only cyclists face that problem. My hon. Friend is right that we want to improve the safety of cyclists, and several measures in the Bill will help to do that, although they are not specifically aimed at cyclists. Education and other measures can help to improve cyclists' safety. The onus of proof, however, applies to all road accidents, as it does to any other crime.

Mr. Harry Barnes (North-East Derbyshire) (Lab): Will my right hon. Friend give way?

Mr. Darling: I think that I had better stop, or the House, and especially my hon. Friend the Member for West Carmarthen and South Pembrokeshire (Mr. Ainger), will get very cross.

The Bill contains many measures that will improve road safety, but I come back to a point that I made at the start of my speech: legislation is only one part of what we need to do. We must raise awareness and give courts the tools to deal with people who offend. We need to express the view that the courts will do their duty when people appear before them. The one thing that should unite us all—I was struck by this the last time we discussed railway accidents—is that 10 people will die today in road accidents, so 10 sets of families and friends will lose someone. It should weigh heavily with us that most such accidents are avoidable, so the country would expect the Government and the House to do everything possible to reduce the unacceptably large number of people who are killed every single day. I hope that everyone will support the Bill.

4.2 pm

Mr. Tim Yeo (South Suffolk) (Con): To begin on a note of consensus, let me say that the Conservative party entirely shares the concerns that the Secretary of State and other hon. Members have expressed about road safety. For that reason, I am happy to make it clear at the outset that we will not divide the House on Second Reading, although my hon. Friend the Member for Christchurch (Mr. Chope) and I will set out several changes and additions that should be made to the Bill, which we will try to achieve during its passage, especially in Committee.

Let me make some general remarks about road safety that pick up where the Secretary of State left off. We share the concerns expressed. However, despite the progress made over the years to reduce casualties in Britain and the fact that we are doing better than many European countries, we need to give the matter more attention. Although I have shadowed many briefs over the past seven years and served in several Government Departments, this is the first time that I have dealt directly with transport issues, and I am startled by our inconsistent attitude towards different types of transport.

[Mr. Tim Yeo]

If 300 people were killed in a railway accident there would be a huge public outcry and a major investigation, which would almost certainly be followed by policy change. If an aircraft accident caused the same number of deaths, there would be a detailed investigation, procedures would be examined and training and qualification standards would be overhauled. If a cross-channel ferry sank with the loss of 300 lives, the most detailed inquiry would be held. But when 300 people die on the roads, pretty well nothing is done, despite the fact that 300 people die on our roads every month. All we seem to do is shrug our shoulders. Perhaps that extraordinary tolerance of road casualties is partly because they happen so often. Whatever the reason, it is not in any way a rational response.

Dismissing road casualties as the inevitable consequence of driver error does not make sense. Every casualty represents a personal tragedy. The hon. Member for Wellingborough (Mr. Stinchcombe) referred earlier to the tragic case of Alexine Melnik, whose father copied the letter that he wrote to him to my hon. Friend the Member for Christchurch. It is a moving document describing the tragic circumstances of his daughter's death and the unsatisfactory outcome of the case, with the verdict that it was an accident caused by a momentary lapse of concentration. As Mr. Melnik points out,

"Isn't a car travelling at speed a lethal weapon and in every respect to be considered the same as a loaded gun"?

If someone had been carrying a loaded gun, and had accidentally shot and killed an innocent bystander, would that person face a charge of carrying a gun without due care and attention? Would the court have accepted a claim of a momentary lapse of concentration so readily? I am sure that Members on both sides of the House will have had similar cases brought to their attention, and that we all feel as strongly as those who intervened on the Secretary of State during his speech.

The problem relates not only to drivers. The AA EuroRAP results show that driver error is not the only main factor. Some roads are much more dangerous than others. Imagine the horror that would rightly be expressed if the Strategic Rail Authority—or, soon, its successor bodies—were to publish a table showing that one was far more likely to be killed on a train travelling between Slough and Swindon than on one travelling between Milton Keynes and Rugby. That would not be tolerated for a moment. What would happen if the Civil Aviation Authority revealed data showing that some airports had consistently more aircraft crashing than others? Rightly, neither public opinion, nor the airlines, nor their customers, nor the authorities or anyone else, would accept that position. Yet that is exactly what we seem willing to accept on the roads.

Let me make it clear: the next Conservative Government will not accept that. In my first year in office, if I am Secretary of State for Transport—

Mr. Henry Bellingham (North-West Norfolk) (Con): Hear, hear.

Mr. Yeo: I am grateful to my hon. Friend. It is true that opinion polls are not yet making that the racing certainty to which I look forward, but we are not quite in extra time yet. If that happy eventuality comes about, however, and the British people have something to celebrate later in the year, I will require the relevant authorities, the Highways Agency and others, to assess what steps can be taken to reduce accident rates on roads classified as high risk—marked in black on the AA EuroRAP map. In the first full term of a Conservative Government, we will extend that requirement to all roads classified as medium-high risk, which are shown in red on the same map.

Mr. Kelvin Hopkins (Luton, North) (Lab): Is the hon. Gentleman suggesting that overriding powers should determine speed limits—for example, on roads that cross a local government boundary, as in my constituency where the limit moves from 40 mph to 30 mph on the same road, because separate local authorities are involved? Would he suggest that there should be some overriding power above local authorities?

Mr. Yeo: I am suggesting that we have clear data showing that some roads—happily, a relatively small number—are much more dangerous than others. We need to try to analyse what steps could be taken, and the hon. Gentleman may have just suggested one of them. I do not know whether changes in speed limit, for reasons such as he has described, are a factor on those high-risk roads. Given that we know that some roads are much more high risk than others, it is worth exploring whether simple steps—such as the one that he suggests, perhaps—could be taken to reduce those risks. I am sure that we would do that with any other transport mode, and we ought to start doing it with roads. Tolerating the idea that some roads are more dangerous than others seems simply unacceptable.

Data about other fatalities also need to be addressed. Young male drivers are five times more likely to be killed than middle-aged drivers. That is a horrifying statistic, and it is probably due less to inferior driving skills than to the attitudes adopted by some young male drivers once they are behind the wheel. I recall from my student days the circumstances in which fatalities might be higher than average. Particular concern arises when young males are driving with members of their peer group as passengers. Nothing in the Bill appears to address those challenges, which is a pity. Is it not time to explore new ways of encouraging more responsible driving by young men?

Tim Loughton (East Worthing and Shoreham) (Con): What my hon. Friend says is absolutely true. The Secretary of State has been dealing largely with people who are insured and qualified to drive, but many accidents are caused by people, mainly young people, who are flouting the law by driving in the first place. They are actively encouraged by magazines and websites to save the money that could be spent on insurance for souping up their cars. Not enough is being done to clamp down on alterations that are made to cars: it is apparently still legal to soup up engines with nitrous oxide. People who are simply not capable of dealing with such powerful motors go out and flout the law, and get away with it.

Mr. Yeo: That is an important point. I am sure that the encouragement that some newly qualified young drivers may receive from a variety of sources to act in the way described by my hon. Friend is one element of the problem. Another, of course, is the fact that penalties for driving without insurance are often lower than the cost of obtaining insurance. A number of issues need to be dealt with and, as I say, the Government do not seem to be taking sufficiently urgent notice of them—in the Bill or elsewhere.

David Taylor: Should there not be a graduated system of driver licensing? Although the current arrangements have rightly been strengthened in recent years, they could be toughened even further by means of a two-stage approach. The first stage would restrict the size of vehicle that could be driven and the number of passengers carried; secondly, driving at night could be prohibited. One driver in 10 is under 25, and one in four who are killed is under 25. As the hon. Gentleman says, there is an important link to be investigated.

Mr. Yeo: That is an interesting suggestion. I think that we should adopt an evidence-based approach. If data suggest that particular types of driver are particularly prone to certain accidents, we may be able to identify measures—such as graduated licensing—to tackle that. I think that the Secretary of State accepted the principle when he expressed surprise at the idea that, with his existing driving licence and many years' experience of driving a car, he could get on to a very powerful motor cycle and would not be restricted from engaging in what might be a more risky activity—although I am sure that in the Secretary of State's case, it would not be. I have observed his measured approach to these and other issues over the past nine months or so, and I am sure that if he got on to a very powerful motor cycle, it would be equally measured.

The hon. Gentleman's general point is valid. I think that the public are ready to accept such changes, and there is recognition that by adopting an evidence-based approach we could reduce the risk. Some of the points made in the Transport Committee's report "Traffic Law and its Enforcement", published last autumn, reflect his thinking.

I have touched on the twin problems of roads that are more dangerous than the average and drivers who are more accident prone than the average. If the Government are to adopt a more comprehensive strategy, and if we are to reduce the number of people killed and seriously injured on the roads, they must accept that measures to tackle those problems directly will be needed.

A hollow laugh will greet the statement issued by the Secretary of State this morning—and referred to, albeit briefly, in his speech—about a new strategy for policing the roads. The Conservative party strongly supports the use of more police to tackle illegal and antisocial use of the roads, but this is the Government who have cut the number of traffic officers by 1,500 since they came to power. In 1999, traffic officers were conveniently redefined to include operational and organisational support officers, who are employed to perform functions other than being out on the streets. The actual number of operational traffic officers, mainly on motor cycles or in patrol vehicles, has dropped even further—perhaps by between a quarter and a third—since 1997.

That really is a scandal, and it is, I am afraid, one reason why the public now have such low regard for Ministers. The Secretary of State, who really should know better, is making a grossly misleading attempt to claim that he is doing something to address the problem through an initiative. Actually, the fact that there are fewer traffic officers enforcing the law and making our roads safer is entirely the result of this Government's policies.

Mr. Bellingham: My hon. Friend has hit on an important issue that affects rural areas in particular, where people want the security of seeing bobbies on the beat and road traffic police. Does he agree that if more road traffic police are around, fewer people will take the risk of drinking and driving?

Mr. Yeo: That is beyond doubt. Indeed, the likelihood of being caught drink-driving—I shall deal with that issue in a moment—is one of the most effective deterrents to taking such risks.

Rob Marris: The hon. Gentleman mentioned using the EuroRAP map, which indicates in black the roads with a higher incidence of such problems. Do he and his party support the deployment of safety cameras—they are often called speed cameras—in rural and urban areas?

Mr. Yeo: I shall come to cameras in a moment, but the simple answer is that where cameras can be sited so as to reduce accidents, we of course support their use. I wholeheartedly endorse the aim of reducing the unnecessarily high number of deaths and serious injuries on our roads, and cameras situated in the right position can contribute to that process.

The Bill contains a number of measures that are desirable in their own right, and will have our support. Overall, however, it is something of a hotch-potch of measures, rather than an absolutely coherent approach to the problem. It contains provisions directed specifically at the problem of drink-driving, and the Government are right to be concerned about that issue. The steady progress made in cutting the number of casualties resulting from drink-driving accidents seems to have halted in the past decade or so, which must be a cause for concern. I agree with the Secretary of State that more effective enforcement of existing drink-driving limits is essential if such progress is to be restarted, and we will want to explore how that can be done in more detail in Committee.

A central part of the problem is that, even according to the Government's own figures, the number of traffic police will still be lower in future than it was originally. As my hon. Friend the Member for North-West Norfolk (Mr. Bellingham) has just pointed out, if drivers feel that there is less chance of being caught, the likelihood of their offending, hoping that they can get away with it, is clearly greater. More will take the risk, and sadly, more casualties will occur.

Of course, "driving under the influence" does not just mean drink-driving. Drugs are also an issue, which my hon. Friend the Member for Christchurch will pursue later in the Bill's passage.

Mr. Bellingham: What does my hon. Friend, who is making an excellent speech, think about increasing the

[Mr. Bellingham]

powers of the police so that they can stop people randomly on the basis of suspected drink-driving? I have a reasonably open mind on the issue, but most chief constables would like greater flexibility in that regard.

Mr. Yeo: It is clear that we must take the views of chief constables extremely seriously. I, too, have an open mind on that issue, and I am not quite sure which way the evidence points. If such powers would be one effective way of reducing the number of people who drink-drive, or of increasing the number who get caught doing so, they deserve to be supported. However, I have not seen the evidence, so I am agnostic and open to being convinced.

Mr. Kidney: I hope to argue later that we should reduce the legal limit from 80 mg to 50 mg. What is the view of the hon. Gentleman and his party on that issue?

Mr. Yeo: I share the Secretary of State's view. The priority is to concentrate on people who are well above the limit, and on repeat offenders. If we are to devote more effort to this issue, I suspect that diverting some of it to stopping people whose blood alcohol level is between 50 mg and 80 mg will prove an ineffective use of resources.

If our aim, shared across both sides of the House, is to cut casualties from drink-driving and elsewhere, we have to be hard-headed about where we make the greatest effort, and I suspect that it makes more sense to focus on repeat offenders and those who are well over the limit than to opt for a slightly lower target. I believe that that is also the Secretary of State's view, and that of my hon. Friends as well. Let me emphasise that I approach the matter from a completely pragmatic point of view. I want progress to be made, and if it became clear that the hon. Gentleman's suggestion was the best way to make progress, I would have no objection to it in principle.

On speeding, I am delighted that the Government have adopted some Conservative party policies. Widening the range of penalty points that can be imposed for speeding offences is a good idea, and I am glad that the Government have seen the light. I wonder whether we could persuade the Secretary of State to go one step further. His Back Benchers expressed considerable interest in the idea, and it could be dealt with most effectively if we put directly into the Bill the range of speeds leading to different penalties, and the circumstances in which differential penalty points would be imposed. That would allow Parliament to be the arbiter, and there would be no uncertainty about it. I hope to pursue that point in Committee.

Mr. Barnes: On speeding, I wonder whether the hon. Gentleman is going to mention clause 17, which deals with detection devices. It proposes a way to deal with the jamming of the police ability to detect whether speeding has occurred, and the ability to ascertain whether a speed detector is in the area. That is a valuable measure, but proposals advanced in legislation sometimes have unseen side-effects. Mark Cornwall, a constituent who runs Derby Car Parts Direct, told me that the firm, dealing in radar detector provision, will finish when the legislation comes into force. Yet it has developed technology that might be valuable and helpful in other respects. Perhaps the Secretary of State could help such firms to switch away from producing equipment that will become illegal, into legal products. That would be valuable.

Mr. Yeo: That intervention seems to be directed towards the future, when I am the Secretary of State. I would be pleased to help, but at the moment it is more a matter for the present Secretary of State. I shall refer to those devices in a few moments, and I congratulate the hon. Gentleman on finding a good opportunity to argue a case on behalf of a firm in his constituency.

One of my concerns about our general approach to speeding is that it too often appears to be unrelated to an assessment of the risk. We have argued for lower speed limits to reduce accidents in certain areas—close to schools, for example. At the same time, in my judgment, few things do more to bring traffic laws into disrepute than rigidly enforced 24-hour limits of 50 mph on a four or six-lane dual carriageway. Given the good safety record of many motorways and trunk roads, it is surely time to consider raising the upper limit to 80 mph in certain places.

Tim Loughton: I want to return to the issue of the big reduction in the number of traffic police, which has gone largely unnoticed. I agree with my hon. Friend that we need lower speed limits, such as exist in 20 mph home zones, in school areas and residential areas with elderly people, of which there are many in my constituency—but part of the problem is that they are not enforceable. The traffic police are not there to enforce those speed limits, just as they are not there to advise on traffic safety. This is not just a question of their being there on motorbikes with speed cameras; it is also about their advising on the setting of speed limits. The traffic police are no longer there. I endorse a more flexible approach, but that can work only without such a ridiculous reliance on the broad-brush approach to speed cameras, at the expense of experienced police traffic professionals.

Mr. Yeo: My hon. Friend is absolutely right. There is a well-founded suspicion that the Government strategy hitherto has been to encourage a proliferation of speed cameras to conceal the damage inflicted by cuts of between a quarter and a third in the number of operational traffic officers. As he says, that makes it much harder to introduce the more common-sense, risk-based and flexible approach to speed limits that we believe would go a long way to promoting safety and to winning public acceptance. A more flexible policy is the key, and the changes that I have suggested should be introduced in the context of a review of all speed limits.

It is well known that we share the concerns of those people who believe that in too many areas speed cameras are being used for revenue-raising purposes, and that they are not sited to achieve the maximum reduction in accidents. Because of that, once in government we will carry out an audit of all speed cameras to make sure that they are positioned where their impact will genuinely contribute to greater safety. Meanwhile, we should like two changes to be made to the Bill.

The first change relates to clause 17, to which the hon. Member for North-East Derbyshire (Mr. Barnes) referred. It deals with devices that detect the presence of equipment used to assess the speed of motor vehicles, and with other devices that jam that equipment. I draw a distinction between those two types of device, and have no objection to the proposed measures against devices that jam. However, devices that detect the presence of speed equipment belong to a different category. If the Government believe their claims that speed cameras are sited so that they slow down traffic in places where accidents are likely to occur, it is clearly helpful for drivers to have advance warning of them, as they will then approach high-risk sections of road at a moderate speed. The only reason to outlaw detection devices is that the number of drivers who might get caught for speeding would be reduced, with the result that the revenue generated by speed cameras would be cut.

Mrs. Ellman: Will the hon. Gentleman explain his hostility to speed cameras? Independent evidence shows that they can reduce the number of accidents by about 40 per cent?

Mr. Yeo: As I have said already, my proposal is that we should audit the position of speed cameras. Where they cut accidents, we are delighted about the contribution that they make, but I remain unpersuaded that every speed camera is sited in such a position. The proposal in clause 17 to outlaw devices that can detect speed cameras exposes the true intentions behind the positioning of many of them.

Another aspect of the Bill is relevant in this respect. The Bill provides opportunities to make sure that speed cameras promote safety. We could table a new clause to abolish the so-called safety camera partnerships, which serve no real purpose. If the speed cameras were operated by traffic police, it is more likely that they would be situated where they would genuinely prevent accidents. It would also mean that a higher proportion of the money paid in fines would be used by the traffic police to promote road safety in general.

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Those of us who have followed these debates will recall that the Under-Secretary of State for Transport, my hon. Friend the Member for Plymouth, Devonport (Mr. Jamieson), challenged one of the predecessors of the hon. Member for South Suffolk (Mr. Yeo) to give examples of speed cameras being sited in places where they would raise money rather than promote road safety. I challenge the hon. Gentleman now to give the House an example of a speed camera that has been placed in a certain spot just to raise money.

Mr. Yeo: That will be one of the purposes of an audit. As I have stressed throughout, my approach is pragmatic. I want the siting of cameras to be based on evidence. If the hon. Gentleman wants me to search the country for examples of cameras placed solely to raise money, I have no doubt that my e-mail would be jammed within 24 hours with messages from people offering such examples, and I should be happy to forward any such messages to him.

The benefits of a new approach to speed cameras would be enjoyed not just by responsible, safe drivers. The police would be pleased as well. The Police Federation has pointed out that current policy on the use of cameras has damaged relations between the police and drivers. The police would like to see a balance between automatic devices such as cameras, and properly trained police—a balance that we wholeheartedly support. They point out that speed cameras do not detect drivers who have been drinking, uninsured drivers, under-age or unlicensed drivers. If our roads are genuinely to be made safer, traffic police cannot be replaced by cameras, as the Government seem to have tried to do in the past few years.

Mr. Miller: Cameras do detect drivers who are breaking the law. Surely the hon. Gentleman does not accept that those drivers should be breaking the law.

Mr. Yeo: I am not suggesting that at all. I should like drivers to be deterred from breaking the law, not just detected when they do so. I come back to the point about clause 17. I am puzzled as to why the Government think it is a good idea to outlaw a device that might encourage a driver to obey the law.

I shall move on to the topic of mobile phones.

Ian Lucas (Wrexham) (Lab): Will the hon. Gentleman give way?

Mr. Yeo: No, I must make progress. I am mindful of the understandable concern expressed by the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) in a point of order at the start of the debate.

Clause 22 as drafted has the effect, in relation to mobile phones, of introducing a more onerous regime for motorists than for cyclists. Superficially, that may seem to be justified. A car can do a great deal more damage to pedestrians and other cars than a bicycle can, but that does not mean that cyclists do no damage at all. The growing frequency with which cyclists ignore red traffic lights or cycle along pavements means that for pedestrians, especially vulnerable pedestrians such as children, elderly people and disabled people, cyclists can be a danger. There is no logical reason why the provisions of clause 22 should not apply to cyclists as well as to motorists. It is questionable whether the clause is necessary, given that the existing law provides the opportunity to prosecute drivers who use their phones while driving.

Another aspect of this part of the Bill concerns me. No distinction seems to be drawn between using a mobile phone while driving and using a mobile phone while sitting in the driver's seat of a stationary car whose engine is switched off. I do not see why, in the latter circumstance, drivers should be exposed to the risk of prosecution. We will pursue the point in Committee.

Rob Marris: Will the hon. Gentleman give way?

Mr. Yeo: For the last time.

Rob Marris: May I suggest to the hon. Gentleman that rather than having a go at cyclists, who cause very few accidents, he would do better to consider the

[Rob Marris]

research that indicates that using a hands-free mobile phone can distract a driver to the point where they are driving as though they had the legal limit for alcohol in their blood? Mobile phones are an important issue, but the hon. Gentleman should address the issue of hands-free mobile phones being used by drivers while driving, rather than taking a cheap shot at cyclists, who cause very few accidents. A cyclist using a mobile phone is foolish and much more likely to damage themselves than to damage anyone else. That is not the case with a driver using a mobile phone, who is much more likely to injure someone else than themselves.

Mr. Yeo: I do not know how often the hon. Gentleman walks round London—

Rob Marris: I cycle.

Mr. Yeo: Fine. After the close of business in the House, I frequently walk home to my flat, which is about a mile. I do not think I ever complete that journey without being nearly knocked over by a bicycle at least two or three times. If the cyclist is using a mobile phone, they are even more likely to knock over a pedestrian. I do not believe that cyclists are universally responsible and remain off the pavement. There are about three traffic lights on that same journey, and it is unusual not to see a cyclist going through a red light. That is a danger to pedestrians. The hon. Member for Wolverhampton, South-West (Rob Marris) may say that cars are more dangerous. I acknowledged that before I made any reference to cyclists.

As I have said, the Bill contains several desirable provisions and for that reason we shall not divide the House on Second Reading. We believe that the Bill can be improved and we shall seek to make those improvements in Committee. It falls short of being a comprehensive strategy for cutting the number of casualties in road accidents but, given that we are probably at most only a dozen weeks from the start of the general election campaign, a more comprehensive strategy can be eagerly anticipated on the election of a Conservative Government—a happy day for the nation, not long delayed. In the meantime, we shall do what we can, in co-operation with the Government and other parties who are ready to adopt our pragmatic, risk-based, common-sense approach to these important issues, to restore a downward trend in the number of people killed on Britain's roads.

Several hon. Members *rose*—

Madam Deputy Speaker (Sylvia Heal): Order. I remind all Members that Mr. Speaker has imposed a 12-minute limit on all Back-Bench speeches.

4.35 pm

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): There can be few areas of life where we confront as many risks as those faced by pedestrians, cyclists and even motorists in their day-to-day contact with traffic.

It is strange that when death comes calling in what we persist in describing as traffic accidents, it is a very lonely thing for each family involved. Although so many people are killed every day, traffic-connected deaths are, somehow or other, seen as individual incidents, and the families who suffer the trauma and agony of having to come to terms with what has happened to them frequently feel completely isolated. They cannot understand how frequent such a terrible set of circumstances is in our day-to-day life. So when the House considers road traffic legislation we must remember that it is not a small part of the daily life of our people; it is something that has an impact on children and adults across the board.

I know of no other area where we would accept the death of 10 people every day. Day after day after day, we kill 10 people on our roads—quite apart from those we seriously injure—yet there are still arguments in the House about the methods to restrict those who do not respect the necessary laws of the land, which are there to protect our people.

I welcome any Bill, such as this one, which specifically sets out things that will help us to improve the safety of our children and our people. If I criticise it and ask for more, it is not because I believe that it has been wrongly brought before the House, but because the fact that as a society we do not seem to have got our head around the enormity of what we do to our people every day concerns me so very deeply.

David Taylor: My hon. Friend refers to daily occurrences. One of the most moving and traumatic telephone calls that I have received recently was from the mother of a young man who was killed a few weeks ago by an articulated lorry, in a pedestrian accident on a fast road near Ashby-de-la-Zouch. She and his family simply cannot understand the present state of the law, which allows the charge against the driver to be restricted merely to one of careless driving, with a few points on his licence and a few pounds off his bank balance. They have had a son removed from their lives for ever.

Mrs. Dunwoody: That is exactly the sort of problem that we should be addressing urgently.

The Select Committee on Transport looked carefully at the Bill, because we thought that there were several straightforward questions that the House should ask. Is road traffic legislation correct and appropriate? Do the police have the right priorities in their attitude towards the whole question of policing traffic? Is there sufficient priority in legislation for the needs of pedestrians and cyclists? Could we do more to deal with dangerous drivers before they become lethal? Are we convinced that we need changes in responsibilities that will, almost inevitably, impinge on the way that we police our roads? Are we sure that those priorities are correct?

My Committee looked carefully across the board. We found many good things in the Bill, but we are also concerned. Inevitably, the House of Commons ought to lead on such a subject. Frequently, when we frame laws, we give a general impression to the public about how we ought to deal with death and destruction that comes in the form of a road traffic accident.

If we make it clear that we are utterly against such developments and that the decisions that we take about management tools, such as speed cameras, are meant to cut deaths and if we make it even clearer that the law

ought to be enforced very strongly against those who cause death by dangerous driving, we ought to have the support of the general public.

If, however, we frame legislation that appears somehow or other to underplay the importance of deaths in road traffic accidents and if we run campaigns that, for various populist reasons, seem to say that speed cameras are not instruments of care and protection but something that ought to be destroyed, the general public will think either that we are not serious or that we do not understand the full implications of what we are doing. So my Committee was concerned about what is missing from the Bill as much as what is in it.

We have already heard from many hon. Members about death by dangerous driving. I am not a lawyer, and I am prepared to believe that there are real difficulties in framing certain charges, but the reality is that if someone has lost a member of their family because of someone driving a car, they do not believe that justice has been done if that person receives either a small fine or some kind of restriction on their licence, and there is no genuine acceptance of the fact that that death was not only unnecessary, but unwarranted and indefensible.

Mr. Stinchcombe: My hon. Friend mentions the offence of death by dangerous driving. Is she astonished that there is not even an offence known to English law of causing death by careless or negligent driving?

Mrs. Dunwoody: Absolutely astonished. That was one of the things that the Committee looked at very carefully—other members of the Committee will want to make such points strongly later—but the points that I want to make are about policy direction as much as anything else.

I believe the Secretary of State to be not only highly efficient, but very caring. He has demonstrated, time and again, that his legislative priorities are exactly the right ones. I therefore hope that when I say very strongly that I believe that his colleagues in the Home Office are not behaving in the same responsible manner, he will understand that I expect of him a commitment to chase them very hard about what is happening.

My Committee was told that an overall review of road traffic law is taking place in the Home Office, that a considerable amount of work is being done and that we must wait for the extension of road traffic legislation before the Home Office can produce measured conclusions. I therefore ask the Secretary of State why we are still waiting a year after we were promised the Halliday report. Where is that report? Given the high public profile of the Home Office, which seems to concern itself with every aspect of our lives, why are we still waiting for that report to be published and brought to the House of Commons?

If we are serious about road traffic legislation, that report is one of the things that should have been produced already. If the report has not been published, why not? If the report has been published, has the Department for Transport seen it? Was it allowed to look at the complex legal issues and has its advice been sought in relation to the report's conclusions? It is extraordinary that the Home Office is not working much more closely with the lead Department on road safety because such things will make the difference.

That brings me to the specific point of enforcement. It is essential that the Home Office realises that the failure to put road traffic among the core responsibilities of chief constables has meant that its importance is unevenly stressed across the United Kingdom. Some chief constables accept that legislation is vital and that the activity has to be regarded as seriously as other forms of criminal activity. Unfortunately, chief constables in some counties do not regard that activity as having the same implications as other activities.

The Select Committee was very concerned with the evidence and the responses we received from not only Home Office Ministers, but those who felt generally that there was no clear line of responsibility and that the pressure to take the matter seriously did not exist. If individual forces do not provide the people to police our roads and do not insist on the subject being taken seriously, we will see the results in terms of accidents. It is clearly a matter of cause and effect.

We have been given a long and, if the Secretary of State will forgive me, somewhat imprecise series of answers to the questions that we posed in our report's conclusion. I am still worried. Co-operation between the two Departments has not been demonstrated and there is no clear evidence of the urgency and targeting that should concern us. It is clear from our responses that most enforcement activity is carried out in 30 mph urban areas. The "Transport Statistics Bulletin" on vehicle speeds shows that the percentage of cars exceeding the speed limit reduced from 69 per cent. to 58 per cent. in 2003. In other words, more than half of all cars in urban areas are speeding. By doing so, they are vastly increasing the risk to pedestrians and other motorists. How can we accept a statistic like that? How can we still, in 2004, be debating the same questions over and over again?

Even today, the Opposition gave us a classic example of the muddle that exists. On the one hand, we appear to be saying that we want law enforcement, but on the other we are saying that we do not want to do anything that upsets the populace or the powerful motoring lobby.

As a nation, we have to clarify what we want in our minds. While television programmes, motoring magazines and individual articles constantly emphasise that speed is clever, macho and directly connected with the male persona—only alpha males know about speed—we are inculcating in our young men, and often in our young people generally, a very dangerous thought. We should be saying, "Yes, cars are important. Yes, you need them. Yes, you can use them. But they are killing machines." The damage done by tonnes of steel and glass hitting a body does not encourage us to believe that the subject should be treated lightly.

Our report will ask for many changes. I hope that the Standing Committee accepts some of them. If the Government are serious about death and destruction, this is the moment to have targeted, tough and explicit legislation.

4.48 pm

John Thurso (Caithness, Sutherland and Easter Ross) (LD): I want to pick up on the point made by the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) about the connection between speed and the male

[John Thurso]

persona. An interesting article in Aberdeen's *The Press & Journal* yesterday—a paper I doubt she would have occasion to read—had the disturbing report that female drivers are starting to outweigh their male counterparts in terms of speeding. The problem, to which she is right to draw attention, is not just relevant to one sex, but runs across the strands of young people, be they male or female.

The United Kingdom has a good road safety record. In fact, it is one of the best in the world. However, as we heard, there are still 10 deaths each day on our roads. In 2002, the last year for which figures are available, 302,605 people were injured on the roads, 3,431 were killed and 35,976 were seriously injured. As has been said, with any other mode of transport there would be a public scandal, and we can certainly do much to reduce the total. A number of measures can and should be introduced, including many in the Bill, although, as I shall explain, there are some serious omissions. My colleagues and I are happy to give the Bill our full support on Second Reading. We will give it our general and broad support in Committee, but I hope that some of my suggestions will be taken on board.

The UK generally has a good road safety record, but, interestingly, it masks areas of poor performance. For example, in 2002, 179 children were killed, 58 per cent. of whom were pedestrians, so the UK's child pedestrian record is one of the worst in western Europe. Two thirds of accidents in which people are killed or seriously injured take place on roads where the speed limit is 40 mph or less. It is worth noting that 60 per cent. of accidents occur on rural roads. There are worrying signs that positive trends that have been moving downwards for a number a years, including drink-driving, are now either static or increasing. The UK's generally good record can be improved through targeted action, so the Government are right to introduce the Bill.

Clause 1 allows Ministers in England and the National Assembly for Wales to fund road safety initiatives. That is a sensible power that will do much to improve the situation, and it is already available in Scotland. A substantial contribution to road safety can be made through road engineering and safety schemes as well as enforcement measures. We therefore support the initiative.

I have considerable concerns about graduated penalties, particularly for speeding. It is a long-established principle in British justice that punishment varies with the severity of the crime, so I do not object to the principle of graduated penalties or punishment. I am, however, concerned that the structure proposed in the consultation paper published last September ignores the outcome of the offence, particularly for speeding in towns and villages. An armed burglar receives a more severe sentence than an unarmed burglar not necessarily because of what they have done but because of what might have happened if they met someone while committing the crime. Two thirds of accidents in which people are killed or seriously injured take place where the speed limit is below 40 mph.

In areas with a 30 mph speed limit, the consultation proposed a lower penalty of two points and £40 for speeds of up to 39 mph. The chances of surviving the impact of a car travelling at 35 mph are half those of surviving the impact of a car travelling at 30 mph. I am therefore concerned that if the penalty were accepted for speeds between 30 and 40 mph the House would send the wrong message, suggesting that modest speeding in towns is acceptable. By contrast, the difference in outcomes when cars are travelling at 70 or 80 mph on the motorway is less stark. To a certain extent, the speed limits on motorways and dual carriageways, which are specifically engineered for faster speeds, are a compromise between our desire to travel quickly and our desire to travel safely while having regard to the environmental consequences of higher speeds. However, where there is mixed use of the road by pedestrians, cyclists, horse riders and others, particularly in built-up areas, the balance must shift from the car and the driver and towards pedestrians, who the suffer the effects. Observance of the 30 mph speed limit is critical in reducing injury and death, and I hope that the Government take that point on board.

Almost every week, I travel up the A9 on several occasions. I have followed cars driven at 50 mph by respectable middle-aged people—people such as me—who do not slow down that much when they come to towns. I do 30 mph as they whizz away. Many middle-aged drivers do not understand the difference between impacts at 30 mph, 35 mph and 40 mph. They would think that one were a speeder if one passed them at 60 mph on the open road, but they happily go through towns at 35 mph or 40 mph. That point is extremely important. Although we do not oppose graduation in principle, our support in Committee will depend on the detail of the likely outcome being fleshed out—we have grave difficultly in accepting a two-point penalty for offences up to 39 mph.

I support moves to ban detection and avoidance devices. It is crazy to have a law, yet allow the use of a device to stop detection. I used to know people who fitted such devices to their cars, and they were not people who would inadvertently drive a little bit fast. They actually wanted to drive a great deal faster than the legal limit and knowingly to break the limit. I am sorry to say that they are the most likely people to buy such devices, which I have no qualms in seeing being made illegal.

Clauses 11 to 15 deal with drink-driving. We have come a long way since the introduction of the breathalyser. I obtained my licence at about the time when the first breathalysers were introduced, when, if someone was caught drink-driving, people would say, "Oh dear. You poor fellow. What bad luck."

Most sensible drivers—the vast majority of the population—now accept that drink-driving is a dangerous and serious crime. Together with sound enforcement, that change in attitude has seen a steady decline in drink-driving and drink-related accidents. However, it is worrying that that trend appears to have stopped and even to have reversed, with figures showing a rise in drink-related injuries and deaths over recent years. It has already been said that the rise has been accompanied by a fall in tests undertaken by police and the number of police who are on the road and who are available to conduct tests, although I must state that the percentage of tests failed has risen too. I cannot believe that a relationship does not exist between lower police numbers, fewer tests and higher drink-related accident rates.

This summer, I discussed drink-driving with the area commander in my constituency, who pointed out that one of the greatest worries is that many drink-drivers are not young people but middle-aged males. Again, the problem is not that those people have one drink too many, but that they consume as much as twice the limit. The trend by which people who should know better commit seriously-over-the-limit offences is very disturbing.

Mr. Hopkins: To reinforce the point that the hon. Gentleman is making, may I point out that when random breath-testing was introduced in Australia, the police suddenly found that they were catching many more middle-aged people who were used to drinking and driving—the people who should have been caught but were not?

John Thurso: A week ago, I had an interesting discussion with my mother. She said, "Oh darling, I am so glad—I have now been told how many glasses of wine I can drink and it's safe to drive." I said, "Mama, you cannot do it like that, because there are different percentage rates of alcohol, and glass sizes are different. If you want to be really safe, don't do it all. If you happen to be just down the road and have half a glass, that's fine, but don't go any further than that." That is the problem. Middle-aged people think that the limit equals two or three glasses of wine, a couple of pints or three whiskies, but do not realise that depending on the metabolism of the person, the percentage by volume of the alcohol and the size of the glass, one drink may put them over the limit. Really, one does not drink and drive.

Although there is considerable merit in the proposal to reduce the permitted blood-alcohol level from 80 mg to 50 mg, there remains a big problem with people who are well over the limit, and we need to target them. The measures in the Bill are clearly sensible and will definitely help. However, we need to look again at the question of enforcement, as there is no substitute for traffic police officers who are able to stop people, make random searches and o ensure that offenders are kept off the roads.

Much in the Bill is sensible and deserves our support, and I do not intend to touch on all those aspects. I have reservations about some of the details, such as the fees to be charged for recalled licences, but those can happily wait until Committee. I am more concerned about notable omissions from the Bill that I should like to be included. One partial omission relates to what can be done about uninsured drivers, who are a major danger on our roads. They cost a great deal in terms of money and lives, and create immense misery. That issue deserves to be tackled. Although clause 39 will help, the Greenaway report made several recommendations that would have been of great value had they been included in the Bill and would have received support from all over the House. I hope that during the passage of the Bill the Government, perhaps with the aid of the Select Committee on Transport, will introduce further measures to combat that particular evil.

Another omission—I will not say that it is less important, but perhaps less severe—is that of measures to make standard ECE 104 reflective tape for lorries mandatory. The Secretary of State said that he is unaware of the evidence on that, but I have compelling evidence that shows:

"The introduction of retro-reflective tape on HGVs in the USA reduced side and near impact collisions in 'dark-not-lighted' conditions by 41 per cent.

The US Federal Highways Administration found that the ratio of savings to costs is such that every £100 invested . . . results in a reduced economic cost to society of £162.

Research by The University of Darmstadt found that 37 per cent. of all side collisions with trucks at night occurred because they were seen too late."

I should like to raise that evidence in Committee, and I hope that the Government will at least consider it.

Another example is the retro-fitting of bull bars. Many Members have commented on bull bars, which are completely unnecessary in this country. I can think of no circumstances, not even on a farm—or, dare I say it, an estate—where bull bars are a necessity. The retro-fitting of bull bars greatly increases the vehicle's danger in the case of impact with a pedestrian, and I encourage the Government to insert a clause to ban it.

I have highlighted another problem, which although not grave is none the less important, to the Under-Secretary in correspondence. Several local authorities would like to be able to put up repeater signs in 30 mph limits, especially in rural areas where long distances may be travelled with some doubt about the limit. Local authorities of all hues and persuasions have asked me why they cannot erect repeater signs. According to the Under-Secretary's replies, they are not permitted to do so by law. Perhaps we could examine that.

Perhaps the most important point is framing a charge of causing death by negligent driving. An interesting debate was held in Westminster Hall at the beginning of September in which the subject was raised. Like many hon. Members, I am fully aware of the difficulty of framing such legislation but I have heard pleas for it from so many hon. Members and so many of our constituents that I believe it is incumbent on us as legislators to frame and introduce such a law. Again, I hope that the Government will be inclined to consider that.

I have a final suggestion. I doubt whether we can include it in the Bill, but I believe that it would make a difference. Several speakers have said that if the accident rate—perhaps it should be more properly called the incident rate—applied to any other industry or mode of transport, we would be up in arms. All other modes of transport have specific units that investigate accidents. We should consider establishing a dedicated road accident investigation unit so that we could understand centrally what caused each accident and learn and apply the lessons. That is probably too complicated to include in the Bill but I should like the Government at least to think about it.

The Bill contains many sound provisions. As I said, we are happy to support it on Second Reading and we shall support it in Committee, where we should like to make some changes. I believe that many of the changes that I propose would find support from hon. Members in other parties. We all ultimately have an identical concern: we want fewer people killed and safer roads.

5.7 pm

Mrs. Alice Mahon (Halifax) (Lab): As joint chair of the all-party group on road safety, I am pleased about the Bill, which contains many welcome provisions. The Government's road safety strategy over the years has been progressive. It is worth repeating the Secretary of State's opening remark that we have one of the best road safety records in the world. However, it is essential to recognise that far more can be done.

In 2003, the number of people killed and seriously injured fell to 37,215. Although I say "fell", it remains a huge number, yet it is 22 per cent. below the 1994–98 average. Nevertheless, the figure represents human beings who have been seriously damaged or are no longer with us. The number of children killed or seriously injured fell to 4,100, which is 40 per cent. below the 1994–98 average. However, the figures still mean, as my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) said, that 10 people, some of them children, die every day on our roads. Imagine the outcry if that happened on trains or aeroplanes. Although we have a good record and the Government's strategy has been progressive, a big problem remains.

I do not want to go into too much detail about drink-driving because many other hon. Members have spoken about that. There had been advances until recently, but we have now reached a plateau and we might even go in the other direction. We should remember that 500 people a year die because of drink-driving. That is a shocking statistic. I am pleased that the Bill will give police new powers to take drink-driving evidence at the roadside. As the Secretary of State said, that closes a loophole and we are all pleased about that.

I wish that the Government had gone a little further, however, and introduced measures to bring the UK into line with most of the rest of Europe on drink-drive limits. I disagree with the hon. Members who said that there is no need for a reduction in those limits. I agree with Brake, the road safety charity, which is arguing for the limits to be brought down to the same level as those in Sweden. That would be 20 mg of alcohol per 100 ml of blood—if we went for the European average, it would be 50 mg—and I think that that would be an acceptable level. The most up-to-date law on this is the Railways and Transport Safety Act 2003, which makes provision for a limit of 20 mg of alcohol per 100 ml of blood for train drivers and pilots, and I do not see the logic of its provisions not applying to road users. I hope that the Government will reconsider this matter. Having said that, I congratulate them on some of the measures in the Bill.

I would like briefly to refer to Brake again, because I have been involved in its campaign, "Watch out, there's a kid about". In 2003, the number of deaths on foot of children aged between eight and 19—the age range in which children use the roads on foot without being accompanied by an adult—went up by 26 per cent. to 110, compared with 87 the previous year. We also should note that, for children aged between five and 14, road deaths are the second biggest killer after cancer, so we should take this issue seriously. Again, I agree with my hon. Friend the Member for Crewe and Nantwich on this matter. Brake recommends speed limits of no higher than 20 mph—and, where appropriate, 10 mph—around schools and in residential and built-up areas. I do not know why the Government do not accept that recommendation. A child on foot has a 95 per cent. chance of surviving a crash in which the car is travelling at 20 mph. That chance dwindles to almost none when the speed is increased to 40 mph.

Mr. Liddell-Grainger: One measure that has been very successful in many areas is the introduction of the flashing "20 mph" signs that teachers switch on when children are coming and going around a school. Perhaps we should try to persuade the Government to introduce that system across all areas of the country.

Mrs. Mahon: Absolutely. I ask the Government to consider that, because we would all agree that the prize of fewer child deaths would be worth while.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Unfortunately, I was attending a Committee when the Secretary of State made his speech; otherwise I would have spoken in this debate. The hon. Lady and I jointly chair the all-party group on road safety, along with one of the Liberal Democrat MPs. One of the things that I have tried to impress on the Government relates to the length of time that British summer time lasts. There is an increase of child road deaths in the winter months and, if the Government will not consider abolishing turning back the hour, I would like them to consider reducing the period of time involved. At the moment, we are on winter time for four or five months, but even a reduction of that period would have significant consequences, if the Government will not go the whole way and abolish it completely.

Mrs. Mahon: The hon. Gentleman makes a very good point, and I hope that the Minister was listening to him.

The Bill contains proposals to deal with fatigue-related accidents, which account for about 20 per cent. of deaths on motorways. I have been working on this issue with a small working group involving people from both the medical side and the road transport side. I welcome the inclusion in the Bill of measures to mitigate driver fatigue through the provision of picnic sites for motorway users and the better enforcement of EU rules on drivers' hours. According to the Driver and Vehicle Licensing Agency, up to one fifth of accidents on motorways, and about 300 fatalities a year, may be caused by drivers falling asleep at the wheel. We should take that statistic very seriously.

Although the Bill includes measures to address driver fatigue, I am worried that it does nothing to tackle the serious problem of drivers with undiagnosed or untreated sleep disorders. About 770,000 people in the UK have a sleep disorder, many hundreds, if not thousands, of whom are driving on our roads today. People with untreated obstructive sleep apnoea—a prevalent sleep disorder—are up to 12 times more likely that others to have a road accident. I have tried to take that up with the Department of Health, but the Under-Secretary of State for Health, my hon. Friend the Member for South Thanet (Dr. Ladyman), did not seem very interested, so I hope that Transport Ministers will talk to him and perhaps get a bit further than I did.

The Royal College of Physicians has pointed out that there is an especially high incidence of sleep apnoea among professional drivers, as the condition is common

in middle-aged men who are slightly overweight. A study of 35 professional drivers at one depot found that nine of them were at extreme or high risk of the condition and that four others were at risk of other sleep disorders. Although the Bill addresses sleepy, yet otherwise healthy, drivers, I am concerned that it misses an important opportunity to tackle the worrying problem of accidents caused by drivers with undiagnosed or untreated sleep disorders.

I shall cite one example. In August 2003, John Stevens died in a road accident while driving to work. He was 41, with a wife and two young sons. As a motorway roadworks technical manager, John's job involved driving long distances and he was an experienced driver. In the year leading up to the fatal accident, John had become progressively sleepier during the daytime, despite sleeping for seven hours each night. He did not think that the sleepiness could be due to a medical condition, even when he suffered a minor accident after falling asleep at the wheel. His employers eventually insisted on a medical check and he sought help.

John's general practitioner diagnosed sleep apnoea and referred him to a clinic for diagnosis and treatment. Almost all patients who need medical treatment go on a long waiting list, and three months before John's appointment, he crashed his car with fatal consequences. That demonstrates just one example of the devastating effect of the lack of awareness of sleep disorders in the UK and the importance of speedy diagnosis and treatment.

I recently met Professor John Stradling, who told me that there is a currently a seven-month waiting list for diagnosed patients to receive treatment for sleep apnoea, so at any one time hundreds of people could be waiting for treatment or diagnosis. A joined-up response from the Department for Transport and the Department of Health is required to tackle the problems caused by sleep disorders, because the number of people affected is not small. Such people are ticking time-bombs on our roads and motorways. I urge the Government to seize the opportunity to address the matter in their proposals on driver sleepiness. Edinburgh university sleep centre puts the cost of treating 500 sleep apnoea patients for five years at £400,000, yet the cost of accidents caused by the same 500 untreated patients over the same period is put at £5.3 million, so I hope that the fact that I have raised the matter will encourage the Department for Transport to examine it. Additionally, under criminal law, it is no defence that a driver had an accident while asleep. The presumption is that the driver should have known that he or she was likely to have fallen asleep and thus not have driven. That is an unfair presumption to make about people with sleep disorders who do not know that they have such a medical condition.

I thank the Government once again because the Bill contains good measures and they have a good record on road safety. Important matters have been addressed and I hope that the Minister will take seriously the suggestions that hon. Members and I raise during the debate.

5.19 pm

Mr. David Atkinson (Bournemouth, East) (Con): My constituents will welcome much that is proposed in the Bill. In Bournemouth, in 2003, more than 20 per cent. fewer road casualties occurred than in 2002. That is a considerable decline, which will undoubtedly be enhanced by some of the measures contained in the Bill. We have seen such declines previously, however, only to see them equally dramatically reversed a year or two later. The fact remains that the average number of serious and fatal casualties in Bournemouth has been the same over the past 10 years—103 citizens killed or seriously injured on our roads every year. That means 100 partnerships and families temporarily or permanently deprived of a loved one because of carelessness or irresponsibility on our roads. I am therefore encouraged that all parties in the House are approaching this Bill in a constructive spirit of support.

All of us have received representations from interested parties expressing concern at some of the measures in the Bill and proposing amendments to improve it. Such representations apply to the range of points and fines available through the fixed-penalty system, on which I read the article by the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) in *The Times* yesterday with great interest. I must declare an interest because of my current six penalty points for speeding, in which I suspect that I am not alone in the House. I was sorry to read that one hon. Friend has recently been banned from driving—there but for the grace of God . . .

I agree with those who say that the current penalty point system needs to be revised. Of course, I do not object to the provision of safety cameras provided that they are placed at obvious and known places of accidents caused by speeding vehicles. We have been reassured by the Government that that is the case, and I hope that the Minister will repeat that in his wind-up today. I welcome the commitment given by my hon. Friend the Member for South Suffolk (Mr. Yeo) that the next Government will audit the current provision of safety cameras to re-justify their location.

There is no doubt that safety cameras influence most of us to keep our speed within the law. It is not so much the minimum fine of £60 but the awful prospect of being deprived of driving, and thus, in many cases, of livelihood, which concentrates the mind wonderfully. I suggest that most of us do not exceed the speed limit deliberately, and that we do so neither purposely nor excessively: for example, when temporary cameras are put in place on roads that are being repaired and that are not clearly indicated. That was the case when I incurred both my penalties. That is no excuse, but is unfortunate. I therefore agree with the proposed variable, graduated system of penalty points, which differentiates levels of speed. In addition, I suggest that the fixed minimum fine be raised from £60 to £100. That would be fairer, and also effective.

I welcome the enforcement of legislation against uninsured drivers in the Bill. The Royal Automobile Club tells us that the current average penalty for driving without insurance is £150, which is far too lenient to discourage such extremely serious and irresponsible behaviour. The current cynical perception of many uninsured drivers is that there are not enough police patrolling our roads to apprehend them, and, of course, they will avoid on-street parking where they can. Better detection, as the Bill proposes, together with higher penalties and proper enforcement would change that perception and the practice; nor should foreign drivers be exempt.

[Mr. David Atkinson]

I agree completely with the provision of motorway rest areas, which will contribute greatly to the reduction in fatigue-related accidents, but surely we do not need to pilot the provision of such rest areas, because of their obvious effectiveness where they already exist. The experience of the French péage motorways and trunk roads where such rest areas are frequent is sufficient to propose to the Highways Agency that it should proceed with their introduction on our roads forthwith.

I welcome the proposed enforcement of measures against foreign drivers committing offences in the United Kingdom. Such measures should be the same throughout the European Union. While I will always support the right of a national parliament to introduce laws and standards to reflect and respond to the situation in our constituencies, the whole point of the European Community is to ensure and enforce minimum standards in every state. Such a policy need not be restricted—in the context of road safety—to the 25 European Union member states; it could apply to all 46 member states of the Council of Europe, perhaps through an appropriate convention. I look forward to an assurance from the Minister that a level playing field will be introduced throughout the EU.

Mr. Lazarowicz: Will the hon. Gentleman confirm that he will be in favour of a reduction of the drink-driving limit to the 50 mg level that is normal in most other EU countries?

Mr. Atkinson: I have not mentioned that issue because I have no clear views on how the position can be improved, and I shall therefore not respond to the hon. Gentleman's invitation.

I welcome clause 22, which deals with the use of hand-held mobile phones. Most of us see that totally unacceptable practice being engaged in all too frequently by drivers trying to steer through traffic. It can cause them to hit another car, or a pedestrian or cyclist. Such accidents are unavoidable, and they must not be allowed to happen. The same applies to accidents and near-misses at night involving cars and bikes without lights. It seems to me that too many cyclists nowadays do not display lights at night. They are putting themselves at needless risk, yet it remains the motorist's responsibility to avoid them. Any programme to improve road safety must include a relentless policy of zero tolerance by the police of cyclists who ride without lights at night.

Mr. Liddell-Grainger: Could that not be tightened up by means of the insurance system? If those without lights were not insured, would that not make them act?

Mr. Atkinson: I am not sure that many cyclists seek to insure themselves. It is an idea, but I am not certain that there is a great deal of worth in it.

In the context of road safety generally and the Bill in particular, let me stress the need for ever greater education and training, especially for young people. The encouragement of personal responsibility among primary school-age children as pedestrians, cyclists and passengers will contribute to a generational shift in attitudes to road safety as those children grow up and become car drivers themselves.

Mr. Paul Tyler (North Cornwall) (LD): Should not young motor cyclists be given much more training? Sadly, in the last 12 months many young people have died on our roads in Cornwall. Training of young motor cyclists, and the checking of that training, are very important.

Mr. Atkinson: I entirely agree. No doubt the Minister heard the hon. Gentleman's suggestion, and perhaps he will respond when he winds up the debate.

A few years ago, a road safety initiative by Bournemouth university graduates, called the junior citizens programme, demonstrated that children who received the training that I have described retained more knowledge than those who did not. That led to the establishment in Wallisdown, in the constituency of my hon. Friend the Member for Bournemouth, West (Sir John Butterfill), of the Streetwise safety centre, sponsored by local authorities and the Dorset police. It is a life-sized indoor village where people of all ages can discuss how to stay safe and what to do in an emergency. They can learn about accident prevention in the home, at work and on the roads, and much else besides.

The centre is working directly to meet the target set by the Government's road safety strategy to reduce the number of people killed or seriously injured on our roads by 2010. More than 65,000 people have visited the centre since it opened in January 1999. My hon. Friend the Member for Bournemouth, West is a trustee of its partnership. I pay tribute to his personal interest in it, and especially to the excellent work of its manager, Alison Curtis. That unique centre is undertaking valuable pioneering work in education and training in road safety, which can only support and complement the Bill. I have no hesitation in drawing it to the attention of the House, and commending it as an example of best practice to be emulated by local and police authorities throughout the country.

5.29 pm

Mr. Paul Stinchcombe (Wellingborough) (Lab): Thank you very much, Mr. Deputy Speaker, for giving me the opportunity to make a brief contribution to this debate. Let me state at the outset that I not only welcome the Bill; I believe it to be vital.

We live in a society, and an age, in love with the car. We all know how powerful the road lobby is. It can bring the country to a standstill over the price of petrol; it can fill our postbags with letters of disgust whenever someone is caught breaking the law speeding. I do not say that by way of an attack on the motorist—I am one—but in simple recognition of the way in which most of us live today. In rural areas, the car is often the only effective means of transport. For many in urban areas, it remains absolutely essential to our work. In some ways, perhaps, the car is even a badge of personal freedom. For many of our youngest drivers, for example, the car marks their coming of age—an outward sign of their adulthood. The first driving lesson might be a cherished present from mum and dad; for some, their first car might even be the reward for getting through the test. For them, the car is literally and metaphorically a rite of passage.

But along with that comes a big responsibility. A car, however beautifully designed, is not a comfortable air-conditioned extension of one's front room. For all of us, the car is a potentially lethal weapon that not only can kill but does kill. It killed my teenage cousin. It kills 10 people in this country every day, and 3,500 every year. The Bill will help to reduce that number, thereby saving lives and reducing grief. That is why I welcome it today—as we all should—and warmly.

However, I do not welcome the Bill unconditionally. Although it is good, it can be improved in several ways, one of which I wish to discuss. We need to rewrite the law concerning cases in which bad driving causes death. At the moment, a wide range of charges are available to deal with those who drive below the standard that the criminal law requires, yet at the heart of that law there is a yawning gap: the complete absence of the offence of causing death by careless or negligent driving when not under the influence of drink or drugs.

The extent of that gap is readily apparent from the sentences available for the various offences for which charges are most usually brought. For dangerous driving, the maximum penalty is two years in prison. For causing death by dangerous driving, the maximum penalty rises to 14 years in prison—a 12-year difference, to mark the gravity of life being lost. For careless driving, the maximum penalty is a fine and points on the licence. For causing death by careless driving when under the influence, the maximum penalty rises to 10 years in prison.

But what about causing death by careless driving when not under the influence of drink or drugs? That is not even an offence known to English law. The maximum penalty is exactly the same as for any other case of careless driving in which no life is lost—just a fine and points on the licence. I find that absolutely bewildering. The law has created two offences—dangerous driving and causing death by dangerous driving—with markedly different potential penalties. The reason for that can only be that the law generally regards cases where driving of the same unlawful standard causes loss of life as more serious than cases where such driving causes just a dent or a scratch to a vehicle.

Moreover, there is a good policy reason for that differentiation. It underlines in law the simple fact that cars can kill, so all of us must be especially careful when we take to the road in them. Why, then, is the same principle not consistently applied to careless driving? Where is the sense in the law considering dangerous driving, but not careless driving, as much more serious when a life is lost? There is no sense. The law contains a gaping hole—the absence of any offence of causing death by careless driving—and in one way or another it needs to be filled.

That gap needs to be filled not just for legal neatness, but to meet the concerns of those who suffer the grief of loved ones being killed by careless drivers. All Members will have recently received a letter from my constituents, Peter and Tracey Melnik, about the death last year of their daughter, Alexine. Alexine was returning home with her boyfriend and friends from a pop concert in Great Yarmouth, when the car in which she was a passenger was hit from behind and pushed into the path of oncoming traffic.

Everybody else escaped the accident uninjured, but Alexine died. She was only 17 when she was killed by a careless driver. The driver was charged, and Peter and Tracey went to court, hoping for some semblance of justice and a sense of closure. The driver was found guilty and sentenced, but because he was charged only with careless rather than dangerous driving, and because he was neither drunk nor under the influence of drugs, the fact that he killed Alexine through his unlawful careless driving—in short, his criminal negligence—simply did not matter.

No offence of causing death by careless or negligent driving is known to English law, so that driver could be charged only with careless driving, for which offence he could only be fined and have points on his licence. In the end, for killing Mr. and Mrs. Melnik's daughter through his criminal negligence, the driver received just a £500 fine and nine penalty points. The total value placed on the life of their child was £500. Furthermore, because the driver pleaded guilty, there was no need to go through in detail the nature of the careless driving that caused her death. There was no forensic examination of the evidence, no detailed consideration of the circumstances leading to the loss of Alexine's life, and no questioning of why he failed to brake in time. There was just a plea and a £500 fine.

Little wonder that Peter and Tracey Melnik left the courtroom with no sense of closure, just a burning sense of injustice to add to their agonising grief. That is why they have written to all hon. Members to suggest that the Bill should be amended to prevent anyone else having to go through that again. I pay personal tribute to them for the courage and dignity of their campaign, and I agree with them. Like Peter and Tracey, I do not believe that the existing structure of the law can possibly be justified, and I believe that this Bill can be the legislative vehicle for making the improvement that needs to be made. It can easily be amended.

Perhaps surprisingly, an alternative method could be an amendment to the Serious Organised Crime and Police Bill. I am advised that either Bill could properly be amended to fill the gap. All we need is a simple amendment to create an additional offence of causing death by careless or negligent driving when not under the influence of drink and drugs. Then we need to legislate to create for that offence an appropriate maximum prison sentence, perhaps of seven years.

In so arguing, may I make it clear that I do not want all cases where careless driving causes death to result in custody? I am a trustee of the Prison Reform Trust and spend much of my time arguing that fewer people should go to prison, not more. I believe, however, that it should be possible to sentence more seriously if the facts of any given case merit it. Legislating to create that opportunity would mean that the facts surrounding any road death caused by carelessness would have to be properly considered in court to ensure that the sentence passed was appropriate, matched the degree of carelessness, and reflected the fact that a death occurred. At the moment, as in Alexine's case, that simply does not happen. In the future, it must surely be possible.

On behalf of Alexine's parents, I ask my right hon. Friend to consider amending the Bill before it comes back to the House so that the gap in the law can be filled and what is becoming known in Wellingborough as "Alexine's law" can be enacted. If not, will my right

[Mr. Paul Stinchcombe]

hon. Friend prevail on the Home Secretary to amend the Serious Organised Crime and Police Bill to identical effect? I am not alone in so asking, and I ask not just on behalf of Alexine's mum and dad and her immediate family, but on behalf of the overwhelming majority of my constituents.

Just a week ago, I asked my local newspaper, the *Evening Telegraph*, if it would run a story on Alexine and include a ballot paper asking people whether they supported a change in the law. We were inundated with responses: 650 replies in just four days. A further petition to similar effect was drawn up by Mr. Craig Coogan—a constituent of the Under-Secretary of State, Office of the Deputy Prime Minister, my hon. Friend the Member for Corby (Phil Hope)—and it was signed by some 2,000 people. All but two of the respondents wanted the law changed. Why? Because, driven carelessly, vehicles are killers, because the criminal law has to reflect that reality consistently in respect of all types of unlawful driving, and because, quite simply, £500 is too low a value to put on the life of any child killed by criminal negligence.

5.39 pm

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): I am pleased to follow my hon. Friend the Member for Wellingborough (Mr. Stinchcombe), who made a strong case in respect of the circumstances affecting one family in his area. I was also pleased that my right hon. Friend the Secretary of State said in his opening remarks that he accepted that driving a car in such a way as to cause a death was very similar to killing a person with any weapon. He is the first person in his position to say that.

Some years ago, I gave evidence to the Law Commission and argued that there should be an offence of causing death by driving. It is absurd that cases can be brought to court yet the question of the death caused is never exposed because of technicalities such as those that we have heard about. It is absurd that the structure of our law does not consider death to be at the centre of such cases. Although such a provision may not be appropriate for this Bill, I think that the House should look for an appropriate mechanism to adapt the law so that the principle that I have outlined can be addressed.

There are exact parallels between manslaughter and causing death by driving. Investigating officers, the Crown Prosecution Service and, most importantly, the courts should be able to determine where a person's death fits in the spectrum of culpability. Courts would then be in an appropriate position to mete out an appropriate sentence. That is the way forward.

The hon. Member for South Suffolk (Mr. Yeo) made an important point about drawing parallels between deaths on the road and deaths in other circumstances, and referred to examples of deaths caused in accidents involving aeroplanes and trains. Society—and in particular the media—seems to adopt a different psychological attitude to rail or air tragedies from that which it takes to individual deaths on the road. It is important that the House should be seen to take a lead in the matter, and to say that the total number of deaths on our roads is far too high. The fact that those deaths are scattered around the country should not deter us from the sort of bold decisions that the public would expect us to take in response to a major incident—such as a plane falling from the sky—that causes hundreds of deaths. We need to address both sets of circumstances in the same way.

Various hon. Members have said that we need to raise public awareness about the scale of the carnage facing our society. The British record is good compared with that of some other countries, but my right hon. Friend the Secretary of State has said that we must do better. The same sentiment was expressed by the spokesmen for the Conservative and Liberal Democrat parties.

We need to find practical solutions, and the Bill contains some ways to make progress in that respect. Training is important. We should consider whether drivers should be more actively encouraged to raise their skill levels—for example, by taking advantage of the help offered by the Institute of Advanced Motorists. That does not apply only to middle-age people, as the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) implied. It also applies to young people, and it is encouraging that in my own area there is a sprinkling of very young drivers—the number is growing all the time—who want to take advantage of the high-quality extra tuition that the IAM provides. Perhaps we can take the opportunity, not necessarily by writing it into the Bill, but by engaging in dialogue with insurance companies, for example, to create massive benefits for drivers who undergo such extra training. People who do that are made aware of the risks that they face on the road.

Because so many hon. Members want to speak, I shall keep the length of my remarks tight. A number of colleagues have spoken of overlaps with other Government Departments. I should like the Department for Transport to take a strong initiative that engages directly and openly all the other key Departments that can influence the debate. The Home Office, the Department for Education and Skills, the Office of the Deputy Prime Minister, the successor to the Lord Chancellor's Department, and the Department of Health are all important players. We need a joined-up approach to the problems facing us.

There are some aspects of the Bill that cause me concern. I have serious reservations not about the principle, but about the way in which the Bill deals with variable graduated points. I agree with the comments of the hon. Member for Caithness, Sutherland and Easter Ross, and I find it difficult to see why we should harmonise downwards. I can see the merits of graduation, but I believe that we should start at a higher base point. I also agree with my hon. Friend the Member for Halifax (Mrs. Mahon), who called for a reduction in the drink-drive limit. Real benefits would accrue from that. However, I do not disagree with the analysis of my right hon. Friend the Secretary of State. It is the extreme cases that cause problems, but we must set standards and enforce them rigidly.

Finally, I shall deal with technology issues. I am a great fan of technology, from such simple devices as speed cameras to enormously powerful technology such as the new advanced number plate recognition tools. Under no circumstances should we allow a driver to use more sophisticated technology to get round such technology. Clearly, that should be an offence. I hope

that when we deal with that part of the Bill in Committee, we will look at the technical issues and set standards. We should not try to be technology-specific, as that would be dangerous, but we should set standards that embody the principle that driver aids should not include devices that enable a driver to do ridiculous things on the road that increase the risk of death and serious injury.

The Bill is a very good one, although there are some weaknesses. I hope that in Committee we can achieve unanimity to show the public that we take such matters seriously. The deaths of 3,500 people, such as the constituent of my hon. Friend the Member for Wellingborough (Mr. Stinchcombe), every year are largely avoidable if we get the structure right.

5.49 pm

Mr. John Randall (Uxbridge) (Con): I, too, welcome the Bill's provisions but, like other speakers, I want to tell the Minister that the Government should not have the mindset that the measure is set in stone. They should listen to the members of the Standing Committee. As we have already heard, there are some good ideas in the Bill, but there are also some gaps and I hope that the Government genuinely use the opportunities offered in Committee and on Report further to improve it.

I want to talk briefly about two families who were affected by fatalities. David Burrows, the son of my constituent Keith Burrows, was killed tragically only a couple of hundred yards from my home, before I became a Member of Parliament. Ever since, Mr. Burrows has worked tirelessly for road safety, and became a local councillor so that he could put road safety at the heart of local civic life. There is still a problem with that stretch of road, however. Sadly, there have been more accidents and last year there was another fatality.

One of the problems is that we seem to move so slowly when dealing with these things. The hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) mentioned repeater signs. There is a 30 mph limit on the stretch of road where the accidents took place, but as it is a dual carriageway no one really keeps to the limit. Over the past seven years, since I have been a Member, I have raised the problem periodically and although I can understand the Government's response, there must be some way of telling people clearly that there is a speed limit on that road and that it must be adhered to. There is a strong case for speed cameras in the area. All the local people, even those who complain when they are caught by speed cameras, would have no hesitation in saying that cameras would prevent fatalities.

The second family are the constituents of the Minister for School Standards, the hon. Member for Enfield, Southgate (Mr. Twigg), but I have met them due to the problems they share with my constituents. George and Julietta Galli-Atkinson's daughter, Olivia, was killed tragically when a car mounted the pavement where she was standing. They have instituted annual Olivia awards to recognise all aspects of the work of traffic police officers—from those who counsel the bereaved to those who are out on the streets. I pay tribute to all the parents and families who have suffered traumatic loss and to those who work so hard for them.

A common theme, to which the hon. Member for Wellingborough (Mr. Stinchcombe) referred, is the feeling that there is a lack of appropriate offences and that sentences sometimes do not reflect the gravity of the offence. I am not saying that we should impose minimum sentences; we cannot legislate for every eventuality, but the courts must be able to recognise the gravity of offences and if that needs a change in the law, the Bill offers the opportunity to introduce it and to bring in a new offence.

As the Secretary of State said, the answer is not just legislation; it is very much about education, and in that regard I want to mention a couple of the things that really irritate me when I am driving. I am sure that lots of the things I do irritate other people, but I want to get these off my chest. I do not know whether we can legislate; indeed, some things are already covered by legislation. It is one thing to introduce laws, but we should also ensure that existing laws are observed—to echo the words of my hon. Friend the Member for South Suffolk (Mr. Yeo) and others. No matter what technology is introduced, there is no substitute for police officers.

I abhor tail-gating, especially by the cabs of heavy-goods vehicles that have released their loads. The drivers are on their way home and travel at high speeds along motorways close behind other vehicles. That is incredibly dangerous and it seems to be a common practice.

Without upsetting cyclists too much, I would echo the remarks made by my hon. Friend the Member for Bournemouth, East (Mr. Atkinson). Increasingly, I see cyclists—young children—out at night without lights switched on, and we must imagine what it would be like for people if they hit those cyclists and the trauma that it would cause them and, obviously, the victims themselves.

I am sure that other hon. Members must see children sitting in the front seats of cars—they should not even be there—without wearing seat belts. I see lots of people not wearing seat belts, despite the fact that the legislation has existed for goodness knows how long. I see children climbing over from the front to the back while the cars are moving. Every day, I see people not only using mobile phones while driving, but drinking coffee and reading maps or even newspapers while doing so. All I would say is that although such legislation is welcome—I hope that improvements can be made—we must do everything to continue to educate people about the real problems of motoring.

5.55 pm

Ian Lucas (Wrexham) (Lab): In view of the shortness of time, I will restrict my comments to two issues. We have heard a wide consensus indeed in the House this afternoon. I greatly welcome that and hope that it is continued throughout our consideration of this very good Bill, which I support enthusiastically. Like many of my colleagues, my misgivings about the Bill are that it does not go far enough and are not about what it contains.

While listening to the debate from the Back Bench today, I have been reflecting on the importance of road safety cases—a point that has been made already. I was formerly a solicitor in a small market town in Shropshire. During the relatively short time that I worked there—about eight years—four young people were killed in different road traffic accidents. Although

[Ian Lucas]

I did some criminal law at about the same time, no other deaths of young people ever came across my desk during my work there. That gives some idea of impact that road safety issues have on our constituents. We have heard today, with great eloquence in a well-argued speech, from my hon. Friend—my good friend—the Member for Wellingborough (Mr. Stinchcombe), about the impact that deaths can have on all our communities.

I want to talk briefly about the graduated points system. I have a great deal of respect for my right hon. Friend the Secretary of State, but he lost me in his arguments this afternoon in putting the case for reducing the number of penalty points from three to two. We all know that speeding drivers are more dangerous than drivers who do not speed. We all know that the faster people drive, the more dangerous they are. In that context, I cannot for the life of me understand how it makes sense to reduce the number of penalty points imposed for a speeding offence from three to two. I have grave concerns about that. I have no difficulty with the concept of a graduated points system. If clause 16 was amended to refer to a range of three to six points, I am sure that that would carry widespread support throughout the House.

My second concern relates to an omission from the Bill. This is a road safety Bill and road traffic offences, particularly those that cause serious injury or death, are very important matters indeed in our constituencies. Our constituents find it completely frustrating that no offence can be brought before the courts that reflects the gravity of the death of an individual, when someone who is at fault causes that death while driving a vehicle. In short, our constituents cannot understand why there is no offence of causing death by careless or negligent driving.

We fail as legislators if we do not address that concern. John Halliday has been investigating that lacuna in the law since July 2003. The Home Office, to which he will report in due course, has been giving assurances to Members of Parliament and to members of the Transport Committee, on which I serve, that the issue will come to the House and be addressed, but we are still waiting for that. The Bill gives us the appropriate opportunity to address the huge gap in the law.

One of the cases with which I dealt when I was a solicitor in Oswestry involved a 19-year-old motorist who was travelling down the A5, a road that my hon. Friend the Minister knows well. Three passengers in the vehicle that he was driving were killed in a road traffic accident. For a year afterwards, the case proceeded through the courts, based on an allegation of causing death by dangerous driving. I represented the driver and at no stage was there sufficient evidence to justify such an allegation. However, I think that the effect of three deaths, and the importance of those deaths to the families concerned, caused the prosecuting authorities to decide to proceed with the allegation.

Ultimately, a year on, that case was thrown out in the Crown court. As a result, the families of the three people who were killed felt badly let down by the criminal justice system. Equally, the individual who was acquitted felt let down because he had been awaiting trial for 12 months and did not consider that the allegation was ever justified. An offence of causing death by negligent driving would have allowed the case to be dealt with quickly to the satisfaction of all parties concerned. There would have been an element of closure for the families and even for the defendant, who was devastated by the impact of the accident.

Every hon. Member has said that they believe that that offence is justified. It is incumbent on us as legislators to act now, to wait no longer and to ensure that the offence of causing death by careless or negligent driving is available to our courts so that bereaved families can have justice.

6.3 pm

Mr. David Kidney (Stafford) (Lab): I declare my non-pecuniary interest in that I co-chair the Parliamentary Advisory Council for Transport Safety. The approach of PACTS is strictly non-party political. I want to praise successive Governments and Parliaments for keeping the politics out of road safety for decades. The great gain from that has been to our society as a whole, with a huge reduction in the number of people killed and seriously injured on our roads over that time.

However, it is valid to make the point that last year, for the first time in a number of years, the number of fatalities in the statistics for those who were killed or seriously injured went up instead of down. We should not read too much into one year alone. Longer term, the trend in killed and seriously injured is still clearly downward, but as we have heard so movingly so many times, every loss of life on the roads is a tragedy. So I want to concentrate on ways to reduce the fatalities on our roads.

I very much support calls for a wider range of offences and tougher sentences for killing by driving, as that would meet the public desire for justice and provide an opportunity to introduce further deterrents against the careless use of dangerous vehicles on our roads. I want to focus on preventive measures but, because of the limited time left for Members who wish to speak, I shall ditch most of them and concentrate almost entirely on drink-driving. However, I urge all parliamentarians to have regard to the report by the advisory group on motorcycling, given the huge increase in motorcycle deaths last year. I urge all employers to have regard to the guidance from the Health and Safety Executive on work-related driving. I alert the world in general to the huge gains from technological solutions, including intelligent speed adaptation, which can reduce fatalities further in future.

To keep my contribution short, I shall concentrate on drink-driving. Ever since laws on drink-driving were introduced, the legal limit has been 80 mg of alcohol in 100 ml of blood. That limit has served us well, and is robust and well-understood. However, because of changes in the law, the practices of modern society and the retailing and marketing of alcoholic drinks, it is time to reduce the limit from 80 to 50 mg. After significant falls, there was a plateau in the number of deaths in the 1990s. As a couple of Members have pointed out, the number of drink-driving deaths has been creeping up. Since 1998, when it was 460, it has risen by more than 20 per cent., and last year it was 560. In 2003, 19,000 casualties were caused by alcohol-related crashes. The Government consulted on whether to

change the limit in 1998, and in its consultation document the Department of the Environment, Transport and the Regions predicted that, as a result of reducing the limit from 80 to 50 mg, 50 lives a year would be saved. Using rough statistics, 97 per cent. of drivers either have no alcohol at all in their system or less than 50 mg. Those drivers are not anywhere near the present limit and most of them would not change their behaviour if it were reduced to 50 mg, as they are within that limit. Those people cause hardly any of the deaths on our roads, and their behaviour would be unlikely to change in future.

As some Members have said, about 2 per cent. of drivers have no regard at all for the legal limit and far exceed it. They are often caught two, two and a half or three times over the limit. I concede that changing the limit from 80 to 50 mg will not make much difference to their behaviour. Our priority for them must remain enforcement, tough sentences and, to some extent, education and publicity. The final 1 per cent. of drivers are close to the present legal limit, and attempt to stay within the law. They are just under, just over or at 80 mg, and are responsible for a significant number of deaths on our roads. One assumes that they would adjust their behaviour in accordance with the new limit. They may not be within it, but they would try to keep to it, and would probably be a little under, about the right level or a little bit over. The latest assessment based on the 2003 statistics on alcohol-related deaths on our roads was made by Professor Richard Allsop of the centre for transport studies, University College London, who estimated that we would save 65 lives a year if we reduced the limit from 80 to 50 mg, and if 1 per cent. of drivers changed their behaviour to the extent that I described. That gain is worth having. The target is continually to reduce casualties, and it is reasonable to expect a contribution through the reduction of fatalities caused by drink-driving, but such a contribution is not currently being made. In addition to enforcement and education, we must change the limit.

Mr. Greg Knight (East Yorkshire) (Con): I am listening carefully to the hon. Gentleman's argument. How are the statistics relating to those motorists who are just under the limit collected? I understand how figures are available for drivers whose tests show 81, 82 or 83 mg of alcohol, but how on earth do we know whether a driver has a figure in the mid-70s? If we do not know the figures, does that not destroy the hon. Gentleman's argument? Those who break the existing law, not those who are just under the limit, are the problem.

Mr. Kidney: The right hon. Gentleman has a point in the sense that we cannot tell who has been breaking the law if people are not prosecuted. If people are killed, however, an assessment is made—in assessing why they died, the alcohol content in their blood is tested for the coroner, so we have the statistics to make an assessment. The up-to-date assessment is that about 130 deaths involve the 1 per cent. of drivers who are somewhere near the legal limit.

I hesitate before introducing Europe into any debate, because I know that it has an unhealthy effect on some hon. Members, but the European Union has considered whether we should harmonise the limit across Europe. In 2001, the Commission recommended that all countries should adopt the same limit of 50 mg. That has not happened and, as hon. Members have said, some countries still have a limit of 20 mg. Three countries still have a limit of 80 mg—we are with Luxembourg and Ireland—but the centre of gravity has nevertheless moved to 50 mg, which is persuasive but not in itself convincing.

I support the three measures in the Bill on drink-driving. Evidential roadside tests and, I hasten to add, tests at hospital bedsides are significant and will benefit the police in catching more people who break the law. We can make gains by closing the loophole relating to high-risk offenders and by piloting alcolocks. However, why do the Government not view the Bill as the right time to change the limit? I know that they say that most people are familiar with the present law, that enforcement is effective, that the penalties are tough and that we do not want to distract from the present regime by changing the law as well. I say that we would still have the same rigorous enforcement if we changed the limit.

The Government spend a lot of money on publicity and education campaigns, which get ever harder hitting. Since 1998, however, they have not seen a return for their investment in a reduction in the number of fatalities. Now is the time to consider an additional element—not a substitution—in order further to reduce such deaths. Because of the pressures of time, I will stop there, but I hope that we can further pursue that matter in Committee.

6.13 pm

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I welcome the Bill, which is an important contribution to reducing deaths, accidents and injuries on our roads. It is unacceptable that 10 people per day die on our roads, and it is also unacceptable that 90 people per day are seriously injured on our roads. We sometimes underestimate the importance of serious injury through accidents—injuries can mean blighted lives.

Given the shortage of time, I shall concentrate my brief comments on my two areas of concern. First, although the Government are well aware that speed kills and have shown in many ways how they want to deal with the issue, it is ironic that the unintended consequence of the proposal on graduated speeding fines, as it has been introduced for consultation, is that speeding in 30 mph zones could result in a reduced penalty. It is known that a pedestrian hit at 30 mph has a 50 per cent. chance of survival, while 90 per cent. of those hit at 40 mph die. Indeed, a pedestrian hit at 35 mph is twice as likely to die as one hit at 30 mph. In view of those facts, I ask the Government to think again before the Standing Committee considers the proposal for graduated penalties. Given the severe consequences, hon. Members should have more information about the Government's intentions before they are asked to vote for that principle.

The second area to which I should like to draw attention is that of culpability for death or injury on the roads. Like other hon. Members, I ask the Minister to pursue with the Home Office the long-awaited publication of the Halliday report. All the evidence

[Mrs. Louise Ellman]

shows that death because of accidents on the roads is viewed far less seriously than death caused by any other means. That is simply unacceptable. When the Transport Committee recently took evidence, it became clear that bereaved families, among others, lack confidence in the system. There are worries about investigations at the scene of accidents and whether sufficient evidence is gathered and sufficient attention given to the possibility of culpability, and about the number of charges brought by the Crown Prosecution Service concerning careless, rather than dangerous, driving. Surely it is not right to put together and equate offences that include reading a newspaper and turning into a minor road and colliding with a pedestrian. Those two actions cannot be comparable, yet they are both classed under the heading of careless driving.

No proper statistics are kept on what happens following fatal accidents or accidents where there are serious injuries. That requires changes by the Home Office and the CPS as well as by the Department for Transport. Bereaved families and families of injured people are not kept informed about or involved in the progress of prosecutions that follow the accident. I ask the Department for Transport and the Home Office to consider the Transport Committee's recommendation of a new offence of causing death or serious injury by negligent driving. That, with other measures, would show that the Government mean what they say and that the Secretary of State for Transport follows up his words about how seriously he regards death because of accidents on the roads.

In general, this is a good Bill that will help to reduce accidents and death. However, as it passes through the House it is important that the Government reconsider the two areas of concern that I have outlined very briefly .

6.18 pm

Mr. Kelvin Hopkins (Luton, North) (Lab): Many points that I would have made have already been dealt with in the excellent speeches that have been made. I do not need to repeat them, but I hope to reinforce some of them.

Road safety measures clearly save lives. I hope that the Bill will save more lives in future, but if it were strengthened it could save even more. In the past, there has been a cultural reluctance to accept safety measures and a kind of misguided libertarianism about driving. I think that that is well in the past and I hope that it will not return. We have experimented with voluntarism, especially with seat belts; that did not work, and we now realise that compulsion is necessary in many areas. We are making progress, and it is comforting that there is consensus across the Chamber.

We have heard a lot this afternoon about the effect of different speeds on pedestrians hit by cars and their chances of survival. If we look at that in another way, we realise that between 20 mph and 30 mph one's chances of survival decrease 10 times, and that between 30 mph and 40 mph those chances decrease five times. Even between the speeds of 20 mph and 30 mph, there is a much greater chance of being killed when hit by a car. In crowded pedestrian areas in towns, it would therefore be sensible seriously to consider a default speed limit of 20 mph. The proposal has been presented by the Safer Streets Coalition in a well argued briefing that I urge my hon. Friends on the Front Bench to read.

We have heard much debate about alcohol limits. I supported the hon. Member for Bath (Mr. Foster), who tabled an amendment on Report to the Railways and Transport Safety Act 2003. The amendment was rejected, but the case has to be put again. I hope that the Government will be persuaded that the 50 mg limit should eventually become law. I would argue for an even lower limit. We have come to realise that we can save hundreds of lives by restricting alcohol and driving. We should go further to save lives and my hon. Friend the Member for Stafford (Mr. Kidney) made an effective speech on that.

The culture and attitudes to driving have changed. That shows that hon. Members, as legislators, have a duty to represent people at their best and most sensible, not their most spontaneous and perhaps selfish. When Barbara Castle introduced the breathalyser, I was sitting in a pub, drinking a pint of beer. I hasten to add that I was not driving and that, even then, I was careful about the amount that I drank when I was driving. A petition against the breathalyser was circulated in the pub. I was the only person there who refused to sign it because I thought that the law was sensible and would save thousands of lives, thus making us all safer. I was not popular in the pub that day but I believe that I was right and that subsequent events have proved that.

I support a general 20 mph limit in towns and a lower blood-alcohol level for drivers. Those measures would make a tremendous contribution to saving thousands more lives in future. I urge my hon. Friends on the Front Bench to consider those two specific points seriously. Otherwise, I support the Bill.

6.22 pm

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Like other hon. Members who have spoken, I support the Bill, which contains many good provisions. I want to concentrate on aspects of it on which we can build and I hope that the Government will take some points on board either in Committee or in other ways in future.

First, I endorse the comments of many other hon. Members about the problem with the graduated penalty proposals. I am worried that the message conveyed by adopting proposals for lower penalties for lower speeding would undermine the Government's good work on road safety. It would convey a message that a little bit of speeding does not do any harm. That is a dangerous message and it would be a big mistake to send it. We should face the fact that the problem of speeding below 40 mph in a 30 mph zone is not that people receive many penalty points but that, too often, the law is not enforced.

In many parts of the country, there is no genuinely effective enforcement until people drive at 38 or 39 mph. I do not suggest that we should pursue with the full vigour of the law someone who inadvertently creeps one or two mph beyond a 30 mph limit. However, we must have much more effective enforcement of existing speed limits below the 10 mph leeway, which appears to be allowed in many parts of the country. That approach is

not consistent and I would be interested to hear today or on another occasion what my hon. Friend the Under-Secretary believes he can do to try to ensure a more consistent approach to enforcement of speed limits throughout the UK.

I endorse the comments made by many hon. Members on drink-driving limits. The arguments for reducing the level to 50 mg are convincing and I hope that the Government will consider them in Committee. I also endorse the view expressed by many hon. Members that, if we are to improve still further our relatively good road safety record, we need to change not only our legislation but public attitudes. The change in public attitudes can be brought about in a number of ways, and legislation will certainly play a part in that, as it will underline the message that we take seriously offences of this nature. We also need more public education, although a lot of good work has already been done in that regard. We need more public information, more road safety education of all sorts in schools, including basic education about street safety, cycle training and a wide range of other measures. We also need more driver education, and more work to be done by vehicle manufacturers.

Above all, we as public figures need to send a consistent message that cutting the toll of deaths and injuries on our roads must have a higher priority in the decisions that we take about traffic and transport. I, too, welcome the clear message given by the Secretary of State today about the way in which we should regard people who use their vehicle to drive dangerously. He drew a parallel between such people and those who create a danger by using a gun or other weapon. That was a powerful message and I endorse what he said.

We have heard today about the tragic cases that have affected many hon. Members—we all see such cases in our communities from time to time. It is also important, however, to send out the positive message that we can do things to make a difference at local level as well as at national level. In my own city of Edinburgh, the city council, the police and other agencies have worked together to make a real impact on reducing the number of deaths and injuries on the roads. Last year, for the first time since records began, some 75 years ago, not a single school-age child was killed on the roads in Lothian, the area that includes Edinburgh. That result was achieved by a road safety strategy involving a combination of engineering measures such as road humps, enforcement involving speed cameras, and education. This was not just a one-off strategy. Over the last 10 years, we have seen a reduction of 30 per cent. in the number of injuries on the roads. That consistent reduction has meant that we have had one of the highest reductions in accidents in the UK. It is time to learn from the example set by my city council, as well as by many other councils of different political colours in different parts of the country that have introduced measures to improve road safety in their communities.

The use of speed cameras and other traffic calming measures of that nature results in howls of derision from certain sections of the community and the media. However, we have to underline the fact that none of us—I am a driver myself—has the right to break the speed limit. We must reject the spurious arguments about the Government attempting to raise revenue from cameras, because it diverts us from the fact that speed kills, and we do not need the carnage on the roads that still takes place despite our relatively good record compared with most other European countries.

I welcome the fact that the Conservatives have said today that they will not vote against the Bill. This is an area in which we must try to achieve as much political consensus as possible. However, it is no use Conservative Front Benchers saying that they support the headline measures on road safety if, in the next breath, they come out with language that undermines the message being sent by those measures. I do not want to undermine the cross-party consensus that we have here today, but as we listened to the opening speech by the hon. Member for South Suffolk (Mr. Yeo), we heard all the same old arguments and urban myths about speed cameras. We heard the idea slip through that the Conservatives, if they came to power, would abolish the safety camera partnerships, which have done more than anything to reduce deaths and injury by speeding. It is no good, at one level, supporting road safety, while undermining in practice, with the message that is sent out, the intent of legislation.

I say this with some hesitation but it needs to be said: when the message is sent out by some leading Conservatives—although there are some honourable exceptions in the Conservative party—that a little speeding is okay and that it does not really qualify to be in the same league as other criminal offences, that contributes to the overall climate in which speeding is okay, and contributes to the campaign in some quarters against speed cameras and against enforcing speed legislation. We hear that too often from the Conservative Benches, and it contributes to making the roads less safe, and ultimately results in people dying or being injured on our roads who would not otherwise have died or been injured.

Conservative Front Benchers must recognise that when they undermine the message of strict enforcement of speed limits, they are acting irresponsibly and encouraging some drivers to drive in a way that leads to people being killed and injured unnecessarily. With not too much expectation of a change of heart today, I urge them to act a little more responsibly in this area, and not to take an approach that leads to more people losing their lives and being injured than would otherwise be the case.

6.31 pm

Mr. Christopher Chope (Christchurch) (Con): This debate has been well attended, and the contributions have been fewer and shorter than would have been the case had the Second Reading not lost two hours and 50 minutes to the three statements and the urgent question, which was a point made very well by the hon. Member for Crewe and Nantwich (Mrs. Dunwoody). Because of time constraints, I will not be able to respond to all the pertinent points that have been made. Unlike in most debates in the House, however, everyone who has spoken shares the same objective of improving road safety, and relatively small differences exist in relation to some of the means of achieving that objective.

I shall start with one area in which there is unanimity about the need for enforcement. I must emphasise the way in which the Government have failed both their supporters in the House and Opposition Members who

[Mr. Christopher Chope]

believe that we need more police enforcement of our road traffic laws. Road traffic law enforcement is not included in the core responsibilities of chief constables, a fact which was investigated by the Select Committee in its excellent report. All that has happened is that the Government have produced a rather lame response to the Select Committee report, and have today announced that they will now get serious about enforcement of road traffic law.

Fortunately, only on 5 January I received a much delayed answer to a question that I had put to the Home Secretary on how many road traffic police officers there were in 1996, and how many there are now. It was quite a straightforward question, but it received a holding answer on 13 December, no doubt while the Government worked out how they were going to respond. The answer is rather interesting, as it shows that in the past four years 1,653 fewer police officers have been in front-line operational road policing, while the number of support staff has increased by 399, and an extra 400 have been involved in administrative support—a twentyfold increase. In 1996–97, this Government inherited 9,201 road traffic police officers, whereas now, according to the answer that I have received, there are only 6,276 operational traffic officers—a reduction of between a quarter and 30 per cent. In the meantime, there has been an enormous increase in the number of operational support officers and organisational support administrative back-up staff.

Rob Marris: The hon. Gentleman has given some figures. Will he tell us what has happened to the fatality rate per 1 million km driven in the United Kingdom during the same period?

Mr. Chope: I deal with miles, actually, but I can tell the hon. Gentleman that this Government—his Government—have tried to transfer the debate to a discussion of fatality rates per, say, 1,000 miles. When I was Roads Minister in a Conservative Government, we set a target for reducing the actual number of people killed on the roads, and we were very successful in achieving it. I do not claim all the credit myself, but during the two or three years for which I was the Minister, the annual toll of fatalities on the road fell by more than 1,000 a year. Under this Government, since 1997 the number of fatalities has reached a plateau. In fact, according to the most recent figure it rose slightly.

Not surprisingly, the hon. Gentleman and, perhaps, Ministers are falling back on the number of fatalities per 1 million miles driven. Because of the higher mileage on the roads, the number may be falling as a small proportion, but it certainly does not compare with our record in government. Indeed, we would like to see a significant further reduction in the number of fatalities. One of the key ingredients is proper enforcement, and it is one of the ingredients that have been lacking in the Government's policy. It is no good just coming out today with a lame press release suggesting that everything will be rosy in the future, when we know that the figures suggest otherwise.

The hon. Member for Edinburgh, North and Leith (Mr. Lazarowicz) referred disparagingly to Conservative Members' comments about the need for police officers, and the fact that road safety cameras cannot be an adequate substitute. On 13 May 2004, Jan Berry, chairman of the Police Federation, said:

"I don't think you can remove the human element of policing and replace it with a camera—in some force areas if you are going 35 mph at 2 am in a 30 mph area and no other traffic it would be extremely unusual for an officer to give you a ticket—a speed camera doesn't have that discretion."

That is what worries us. In 1996 there were about 300,000 speeding fines; in 2004 there were probably 3 million, but as I have pointed out, there has been no reduction in the absolute number of fatalities. Despite that, the Government are probably raking in anything between £60 million and £100 million in extra fines. Their policy is not working, and it is alienating the travelling public and road users generally.

Mr. Lazarowicz: Will the hon. Gentleman give way?

Mr. Chope: I will not, because unfortunately our time is limited.

The Select Committee Chairman, the hon. Member for Crewe and Nantwich, said that the incidence of compliance with 30 mph limits was very small—that there was 58 per cent. non-compliance. Speed limits must be worthy of respect, or they will be ignored. It is essential for us to have a sensible regime of speed limits, and sensible enforcement. That point has been made strongly by the Institute of Advanced Motorists, of which I am privileged to be a member. It has drawn attention to

"the increasing use of non-discretionary cameras in place of police officers who are able to able to apply discretion taking account of prevailing conditions. For example, the Government position on the motorway limit included the assertion that while at 70 mph drivers would regularly travel at 80 mph, if increased to 80 mph they would travel at 90 mph. This argumentation is clearly undermined if zero-tolerance cameras substitute police enforcement."

The briefing paper continues by pointing out that

"speed limits are exactly that: limits. The IAM and other road safety organisations constantly remind drivers of this. They are the maximum speed where conditions allow and therefore, by definition, a lower speed must be appropriate where there are additional hazards e.g. traffic density, rain, fog, high pedestrian population etc . . . For their message to be credible it follows that the speed limit should be set as the maximum permitted speed where the road appears empty of moving hazards, the conditions dry and visibility clear."

That is, I am afraid, far too infrequently the situation, which is why I am pleased to be able to tell the House this evening that the next Conservative Government, which will come in later this year, will conduct a review of speed limits on all English roads to ensure that posted speed limits are appropriate to the function and characteristics of the road. We will implement a consistent signposting policy across England to inform drivers, riders and passengers of these posted speed limits. That will have a major effect on the motoring public's confidence in the fairness of the system.

My hon. Friend the Member for Bournemouth, East (Mr. Atkinson) made a most important speech, and I certainly endorse what he said about the Streetwise safety centre, which I also had the privilege of visiting. It has achieved an enormous amount for road safety in our area. He admitted to having been the victim of the penalty points system, and of speed cameras imposed temporarily on roads under repair. I am afraid that concern about such cameras is often expressed in the postbag by people who, when travelling along a road whose normal speed limit has been replaced by a temporary limit, find that the signposting is inadequate. As a result, they are caught out—in circumstances for which they find it very hard to accept responsibility.

My hon. Friend also made a very important point about the many cyclists on our roads who ride without lights. The Government should do something to help those who ride with lights that flash or pulsate, or which consist of light-emitting diodes, because currently they are outside the law. The chief executive of the parliamentary advisory committee on transport safety admitted to me in a conversation yesterday that he had such lights on his bike. Strictly speaking, they are outside the law, and this Bill gives the Government an opportunity to bring such cyclists within the law, and then to bear down more heavily on those who ride with no lights at all.

Mrs. Anne Campbell (Cambridge) (Lab): Will the hon. Gentleman give way?

Mr. Chope: I am afraid that I do not have time to give way again.

My hon. Friend the Member for Uxbridge (Mr. Randall) raised a number of important points, but his overall theme of the importance of education is one that we should take seriously in this debate on road safety. It is apparent that the Government are putting too little emphasis on education's role in improving road safety.

Several contributors discussed the vexed issue of whether there should be a separate offence of careless driving resulting in death, and I can see the arguments for and against creating such an offence. However, I hope that, in responding to an amendment that we will table in Committee, the Government will compare that issue with what happens under the terms of section 2 of the Health and Safety at Work, etc. Act 1974. Through it, people are prosecuted for failing in their duty to ensure, so far as is reasonably practicable, the health and safety and welfare at work of an employee. The consequences of that failure bear heavily on the penalties imposed, and it is such issues that the victims of road accidents and the relatives of those involved in fatalities want the Government to address.

Let us not forget, however, that motorists are paying £8 billion more every year in vehicle excise duty and fuel duty than they were when this Government took office. What are they getting in return? They are getting precious little investment in the road infrastructure or in new engineering works, which are also very important elements of road safety. I am pleased to announce that although this Government have backed away from a commitment to improving the A3 trunk road at Hindhead, the incoming Conservative Government will bring forward that project as quickly as possible.

In conclusion, I think that the chairman of the Institute of Advanced Motorists hit the nail on the head when he spoke at the annual lunch. A member of the Government party was invited but, sadly, did not turn up: a space was left there, but I do not know the reason for the absence. The chairman said:

"Car cyclists and motorcyclists are not just part of the problem: they can be—and need to be—part of the solution. Treat them fairly and get them back on-side, and there will be a rapid pay-back"

in "road safety".

6.45 pm

The Parliamentary Under-Secretary of State for Transport (Mr. David Jamieson): It is always good to follow the hon. Member for Christchurch (Mr. Chope), because anyone can sound reasonable and measured after he has spoken at the Dispatch Box. I was interested to hear his comments. He says that he would spend more on roads—particularly the A3 at Hindhead, for some reason—but I do not know how that squares with the £2 billion cuts that the Conservatives have also promised. At some future time, we may hear the answer to that question.

We have had a good-tempered debate with some excellent contributions on both sides of the House, and we have seen a wide degree of consensus on both the Front and the Back Benches for many of the measures in the Bill.

Roads are key to our economic success, and vital for the movement of people and goods. Our economy is doing well. We have a successful and vital economy with more people owning cars, which is why our roads are busier than ever before. We must use those roads safely. The speech by my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), the first to speak from the Back Benches today, was a powerful one, which made that point eloquently. We are grateful to her Select Committee for examining the proposals before the Bill was published, and its report was extremely useful in preparing the Bill. I hope that it will be used in the forthcoming stages of the Bill, too, particularly with regard to implementing particular measures later.

I know that my hon. Friend will be disappointed that the Bill does not deal with some of the serious offences that have been under review for some years. Her views on that matter were also expressed by my hon. Friends the Members for Wellingborough (Mr. Stinchcombe) and for Ellesmere Port and Neston (Mr. Miller). Let me assure her and other Members that these matters are on the Home Office agenda, and consultation on them will start as soon as possible.

Safety on our roads is important to each and every one of us in representing our constituencies, and all our constituencies are affected in some way by road safety. We have heard today, as we so often do in such debates, a number of personal and harrowing stories of constituents who have either suffered injuries themselves or had friends and neighbours killed or seriously injured. We also know that vulnerable young children and the elderly are particularly affected by road safety issues. That interest has been the catalyst for the high-quality debate that we have conducted here today. The debate continues outside this Chamber. Many interest groups, some of them parliamentary, have helped to progress those issues through their discussions and lobbying.

[Mr. David Jamieson]

As my right hon. Friend the Secretary of State said in his opening speech, UK roads are some of the safest in the world, certainly in comparison with those in many other countries. That is due to action taken by successive Governments over a long period. I am not referring only to what has happened recently, but to the longer term. The vast majority of drivers in this country, young and old, are careful, considerate and law-abiding. The large quiet majority are people who wear their safety belts, do not exceed speed limits, do not use their mobile phones while driving and obey traffic laws.

However, their safety—and the safety of the rest of us—is compromised by the small minority who put other people's lives at risk. The people in that minority think that when it comes to driving, insurance is somehow an optional extra. They think that they are special, and can drink and then drive safely. They chatter on their mobile phones when they should be concentrating on the road ahead.

Mr. Tyler: Will the Minister give way?

Mr. Jamieson: Certainly. I am chattering, and will give way.

Mr. Tyler: I warmly welcome clause 22, which deals with mobile phones, but will the Minister look again at the evidence provided by Brake, that very effective road safety pressure group? It suggests that even hands-free mobile phones can distract drivers. Will he consider that evidence again in Committee?

Mr. Jamieson: Our recommendation is that people should not use a mobile phone at all when driving. However, the law must be enforceable. When we brought in the £30 fixed penalty last year, we said that we would hold a review in a year's time. The Bill contains the new measures to raise the fine and to impose the three penalty points that we promised. If necessary, we will review the law again in the future. The Bill contains a range of sensible and proportionate measures to make our roads safer.

I will not have time to respond to all the points raised in the debate, so I invite hon. Members to whom I cannot respond to correspond with me, or to raise matters in Standing Committee. The hon. Member for South Suffolk (Mr. Yeo) opened the debate for the Opposition, and I am grateful to him for his shared concerns and consensual approach. He said that he would not divide the House on Second Reading, as did the Liberal Democrat spokesman. It is good to have that consensus on this important Bill, although I fully expect there to be some differences about some of the smaller matters in it, which we will debate in the usual way.

The hon. Member for South Suffolk said how differently we in this country treat deaths on the road from deaths arising from rail or air crashes, or other causes. Other hon. Members made the same point, including my hon. Friend the Member for Halifax (Mrs. Mahon).

I think that we are going through a gradual cultural change in this matter. I am glad to say that the number of people injured is falling, as is the death rate. The static figure for deaths is about 3,500 a year, and we have to tackle that. I hope that the House's consensual approach will allow us to find a way to do so.

The hon. Member for South Suffolk mentioned the EuroRAP map, and said that it showed some roads to be more dangerous than others. That is to be expected, but local authorities and the Highways Agency are devoting a lot of energy to identifying which roads and junctions are most dangerous and problematic. We are focusing our attention, and our funding, on those roads. If we are to pay for the improvements that the hon. Gentleman wants, we must put the funding in. In those circumstances, cuts would not be appropriate.

Mrs. Anne Campbell: My hon. Friend has said that he will be taking another look at dangerous roads, so will he look again at the A14, which runs between Cambridge and Huntingdon? A very large number of accidents happen on that road, so can anything be done to improve the situation before 2010?

Mr. Jamieson: We appreciate the dangers of that piece of road, and I know that my hon. Friend has lobbied consistently on the issue. Those are the sort of dangers that we want to address, but she will know that it is incumbent on us to tackle the worst first. We must deal with the greatest problems first.

The Conservative party has performed either a U-turn or a complete 360-degree turn—I am not sure which—in respect of speed cameras. The hon. Member for Christchurch did a wonderful job in 1990 when he introduced safety cameras. However, the hon. Member for Ashford (Mr. Green) argued all last year that most of those cameras were in the wrong place and should be removed. I am glad that the hon. Member for South Suffolk has brought some calm common sense to the Conservative Benches, as he clearly realises that he is on a losing issue with the electorate. The vast majority of people in this country do not believe that people should be able to speed freely. They believe that their children should be able to cross the road without having speeding drivers around them. I welcome the hon. Gentleman's support.

The hon. Member for South Suffolk proposed an audit of the cameras. We have already done that. Some of his Conservative colleagues in local government have also carried out an audit. I repeat the challenge that I made to the Tory Front-Bench team 13 months ago. If the hon. Gentleman knows where there are cameras that do not meet the criteria, let him tell the House where they are. After 13 months, nobody on the Conservative Benches has come up with a single example of a camera that has been wrongly placed.

I am glad to have the support of the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso). He spoke about pedestrians being killed at various speeds, and the issue of variable speed limits. As my right hon. Friend the Secretary of State said in his opening remarks, the variable penalty is only an

enabling power in the Bill. The detail will come later, after careful consultation. That is an important matter, because the faster the car is going, the more likely it is that people will be killed.

Repeater signs are not dealt with in the Bill. There are difficulties associated with cost and with the clutter of street signs. The present system, whereby a built-up area where there are lights is a 30 mph zone, goes back 70-odd years. On bull bars, a subject which interests my hon. Friends, we are negotiating a new European directive to control their use. It is my view that they have no place on any vehicle on the road.

My hon. Friend the Member for Halifax, who chairs the all-party group on road safety, contrasted our attitudes to death caused by various modes of transport. The law already empowers local authorities to reduce speed limits to 20 mph. I take her point about sleep-related issues. They are important, but in the main do not need to be dealt with in primary legislation.

The hon. Member for Bournemouth, East (Mr. Atkinson) spoke with great enthusiasm about many of the measures in the Bill, particularly those dealing with foreign lorries, equal treatment of British subjects and foreigners on our roads, rest areas and uninsured drivers. He spoke about a level playing field across Europe. I agree about common practice, enforcement and information sharing—but whether we want the same laws as other countries in the European Union, I very much doubt. We have a better record, and those countries look to our legislation as an example, rather than the other way round.

My hon. Friend the Member for Wellingborough made an impassioned speech on behalf of his constituents. The penalties issue that he raised is being examined by the Home Office. My hon. Friend the Member for Ellesmere Port and Neston has a long history of interest in road safety matters. I thank him for his support. He raised some interesting points, which the Committee may want to consider.

The hon. Member for Uxbridge (Mr. Randall) made a helpful speech, as did my hon. Friend the Member for Wrexham (Ian Lucas), although he said that the Bill did not go far enough. My hon. Friend the Member for Stafford (Mr. Kidney) chairs the Parliamentary Advisory Council for Transport Safety, so his commitment, and that of the people with whom he works, is clear.

We are concerned about the death statistics. We have been successful in reducing the number of serious injuries on the roads, and I agree that we must now turn our attention to reducing the number of deaths. Sadly, the figures rose last year, mainly because of an increase in the number of motor cyclist deaths, and we must address that issue. However, I am very much opposed to the harmonisation of penalties across Europe.

In conclusion, each crash brings human misery for those who are injured and the families of those who are killed, and a massive cost to our economy. The Bill contains a number of measures that will help to make our roads safer; it will be welcomed by all of us, and I commend it to the House.

Question put and agreed to.

Bill accordingly read a Second time.

ROAD SAFETY BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6).

That the following provisions shall apply to the Road Safety Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 3rd February 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed. —*[Mr. Watson.]*

The House divided: Ayes 330, Noes 161.

Division No. 30] **[6.59 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Blunkett, rh David
Borrow, David
Bradley, Peter *(The Wrekin)*
Brennan, Kevin
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David

Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Donohoe, Brian H.
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Edwards, Huw
Ellman, Mrs Louise
Ennis, Jeff *(Barnsley E)*
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Francis, Dr. Hywel
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hamilton, David *(Midlothian)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Hood, Jimmy *(Clydesdale)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Irranca-Davies, Huw
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
Mackinlay, Andrew
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Moie, Chris
Moonie, Dr. Lewis
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Quinn, Lawrie
Rammell, Bill
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, rh Jacqui *(Redditch)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Steinberg, Gerry
Stewart, David *(Inverness E & Lochaber)*
Stinchcombe, Paul
Strang, rh Dr. Gavin
Straw, rh Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Gareth *(Harrow W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
White, Brian
Whitehead, Dr. Alan
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woodward, Shaun
Woolas, Phil
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Mr. Nick Ainger and Vernon Coaker

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Barrett, John

Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Brady, Graham
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Bruce, Malcolm
Burnett, John
Burnside, David
Burstow, Paul
Burt, Alistair
Cable, Dr. Vincent
Cameron, David
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clifton-Brown, Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Ewing, Annabelle
Fabricant, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Goodman, Paul
Grayling, Chris
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Hancock, Mike
Harvey, Nick
Heald, Oliver
Heath, David
Hermon, Lady
Hoban, Mark *(Fareham)*
Holmes, Paul
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Maples, John
May, rh Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Opik, Lembit
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Paisley, Rev. Ian
Paterson, Owen
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Laurence *(Tewk'b'ry)*
Robinson, Mrs Iris *(Strangford)*
Robinson, Peter *(Belfast E)*
Ruffley, David
Russell, Bob *(Colchester)*
Salmond, Alex
Sanders, Adrian
Selous, Andrew
Shephard, rh Mrs Gillian
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. John Randall and
Mr. Crispin Blunt

Question accordingly agreed to.

ROAD SAFETY BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Road Safety Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(1) expenditure incurred by the Secretary of State in consequence of the Act, and

(2) any increase attributable to the Act in the sums payable out of money so provided in consequence of any other Act.—*[Mr. Jim Murphy.]*

Question agreed to.

ROAD SAFETY BILL *[WAYS AND MEANS]*

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Road Safety Bill, it is expedient to authorise—

(1) the making of provision for financial penalty deposits and provision for imposing fees and charges, and

(2) the making of payments into the Consolidated Fund. —*[Mr. Jim Murphy.]*

Question agreed to.

PETITION

Cliff Erosion

7.18 pm

Mr. Derek Wyatt (Sittingbourne and Sheppey) (Lab): I wish to present a petition from the residents of Warden bay, Leysdown, Bayview and from holiday home owners at the eastern end of the Isle of Sheppey. The petition states:

We declare that because of failure to remedy the cliff erosion homes will be lost, property devalued, and we live in constant fear of flooding by sea.

The petitioners therefore request that the House of Commons take immediate action to ensure that the cliffs are protected with the method presented to DEFRA.

To lie upon the Table.

Community Transport (South Derbyshire)

Motion made, and Question proposed, That this House do now adjourn.— *[Mr. Jim Murphy.]*

7.19 pm

Mr. Mark Todd (South Derbyshire) (Lab): We have an opportunity in this short debate to reflect both on a local south Derbyshire success story and on evidence of the success of a Government and local authority programme in my area, which, I am sure, is reflected to some extent in other parts of the country. That success has been based on a partnership between Derbyshire county council, supported by central Government funding—I shall expand on that subject later in my speech—the local, voluntary and professional management of the community transport service in Swadlincote, South Derbyshire district council and a number of parish councils in south Derbyshire, which have been involved in developing local transport solutions for their individual communities.

First, I shall provide a few raw facts. In 1997, Community Transport (Swadlincote), which had been in existence for some eight years by that time, carried 17,583 passengers in five vehicles. In 2004, the same service carried 72,683 passengers in 21 vehicles. All hon. Members will accept that that is a huge increase in passenger usage and in the scale and capacity of community transport in south Derbyshire. Community transport was operated over nearly 100,000 miles during 2004.

In 1997, the service operated out of a Nissen hut. Thanks to a lottery award early in the life of this Government, however, it now operates out of a modern, purpose-built garage, which has, however, become increasingly hard pressed for space as the service has developed. The garage has also provided a base for a number of innovative schemes to offer transport services to rural areas, and I shall touch on several of those schemes in my speech.

One such scheme, which I shall mention now, was prompted by the introduction of the new deal and my identification, along with the county council, of the fact that it was difficult for unemployed people in rural areas to obtain transport to get work or even to go to interviews and take up opportunities. A bid was put in to support new deal transport for people in rural areas, and the service was run for a number of years to support people with those needs.

Although I shall mainly concentrate on Community Transport (Swadlincote), I also want to acknowledge the role played by other voluntary sector transport schemes in the area. In particular, I want to refer to the social car scheme operated through the South Derbyshire Council for Voluntary Service, which completed nearly 2,000 runs in 2004 to those who need specific and personal transport, which is often required for medical reasons. Some 31 volunteers have given freely of their time, energy and vehicles to provide that important and personal service in the past year, and this is an opportunity to thank them and those who organised that service for their valuable contribution to community needs in south Derbyshire.

Government help has been available on several levels. First, they have supported two rural bus challenge bids, which have directly helped Community Transport (Swadlincote). Since 1999, that help has secured the growth of the service until 2007—the latest scheme has just been authorised for a further three years. In the first phase of the rural bus challenge, 30,000 additional passenger journeys occurred. People would not otherwise have been able to undertake those journeys, and they would have had to rely on their own private transport or lifts from other people.

The latest award—£245,000 over a three-year period—will consolidate the development of rural services and link to a specific award in the north-west of south Derbyshire, which is the most rural and remote part of the district, serving the areas around the villages of Hilton, Etwall and Church Broughton. This is an opportunity to pay tribute to the parish councils for those areas for their vision and practical work, assisted by others. I did a mailing to several parish councils in my area suggesting that they address local transport needs. I particularly congratulate the three that I mentioned and one or two others in the area. Findern, the village in south Derbyshire where I live, has also been active in taking up the opportunity to look closely at local transport requirements and then working with community transport on solutions.

Much of the area involved had virtually non-existent services. The bus service in Church Broughton was charmingly described as a "market-day" service. The traditional view of what was provided in rural areas was a bus service that went only once a week and was related to a market somewhere else in another town. That very rudimentary access to public transport has now been supplemented dramatically by access to dial-a-ride services and group services for individuals and groups in those communities.

The Government have sharply increased the funds available to the county council for more general support for public transport in Derbyshire. This is an opportunity to congratulate a Labour county council that was, with substantial justice, classed as excellent in the last three comprehensive performance assessments. It has used the additional funding extremely well. Part of it has gone towards supplementing additional scheduled services in the area, for example by deepening the coverage for weekends and evenings, but a very large proportion—£134,000 last year—has gone to Community Transport (Swadlincote) to support dial-a-bus and group travel services throughout the district.

David Taylor (North-West Leicestershire) (Lab/Co-op): Does my hon. Friend agree that community transport in south Derbyshire could well be integrated with some form of improved rail services linking Leicester via Coalville and Ashby-de-la-Zouch to Burton-on-Trent, and serving some of the villages in his constituency? Would some Government funding in that area repay the necessary investment, and could we hear from the Minister on that?

Mr. Todd: I thank my hon. Friend and neighbouring Member for that contribution. He is absolutely right. We have both campaigned actively for the restoration of passenger services through the southern part of south

Derbyshire. Such a scheme would include a new station at Castle Gresley It is regrettable that a combination of narrowness at central Government level and occasional lack of vision from some of the councils involved—although not Derbyshire county council and my own district council of South Derbyshire—has meant that little progress has been made on the project, but it would undoubtedly improve access to the main rail transport network for many of my constituents.

The second initiative that deserves credit is that the Government now rebate fuel duty to community transport operators. To give the Minister an example of how valuable that is to a community transport service, in south Derbyshire in the past year it has saved £18,000 that could be applied to service development. It is an extremely valuable supplementary source of revenue that was not available before that change implemented by this Government.

The Government have made more flexible the rules relating to the operation of community transport. We all recognise that it would be entirely inappropriate to support through public funds direct competition with private sector bus providers. However, too narrow a restriction on the development of services can be unhelpful. When I spoke to Community Transport (Swadlincote) before speaking here this evening, I was told that although legitimate restrictions remain, it is now much more a case of defining instances where services may not be provided than of following the much narrower path of very precisely restricted services that could be provided by community transport.

I welcome that change of tone and balance in the regulatory framework in which community transport operates. Much of the development of group travel services, which has grown rapidly in south Derbyshire, providing, for example, door-to-door services that deliver frail passengers to shopping centres in nearby towns, reflects that more liberal approach of dealing with community transport in a more permissive environment than previously existed.

I would personally welcome a further examination of the restrictions on community transport, especially the way in which it could work with employers to develop sustainable travel packages for employees. I should like my hon. Friend the Under-Secretary to reflect on that. There is much to commend the way in which a small, flexible operator could work with employers to develop packages to bring employees to work. I can remember working in a company that operated a bus service for its employees around the town where most of them lived. That has gone out of fashion. However, there is now an opportunity to reflect on what a neat and nimble-footed operator such as Community Transport (Swadlincote) could do with local employers to improve the sustainability of transport options for employees in the area.

It is worth adding that the massive development of service and the growth in passenger numbers has been achieved while maintaining excellent relations with private operators, both private scheduled operators and those who offer coach services in the area. People get on well together, understand the differences between their businesses and I have come across no complaints about that. Indeed, offers of co-operation have sometimes been made and much appreciated.

Is there any cloud on that undoubted local success? I should like the Under-Secretary to give some thought to a couple of matters. The first point is mainly a matter for local initiative but the Government could examine ways in which to facilitate it. I am proud to say that south Derbyshire is now generally an area of relative prosperity. South Derbyshire district has the highest average income in Derbyshire. Employment is high and rising. That means that recruiting volunteers, who play an important role in supplementing the activities of community transport's paid employees, can be tough and rewarding paid staff sufficiently to retain them can also be difficult. Opportunities for other employment abound in the area.

The county council has recognised the problem and is trying to develop a package of promotions that will attract people to the important roles of, for example, assisting disabled users, which need to be filled. It is normally helpful to have a volunteer to supplement the work of the driver and others to help people to get in and out of vehicles. It is hard to get people to fulfil those critical functions.

The second point relates directly to central Government responsibilities. While the range of services that Community Transport (Swadlincote) offers is secure in the medium term—I have mentioned 2007—for the rural services in particular, much has depended on the success of bids to central Government. As with any project based on that initial funding—I also have a mini Sure Start scheme in Derbyshire that suffers from the same problem—the start of the process is pump primed, but a way of mainstreaming the funding support must be found so that the service can continue to develop and be retained.

I urge the Under-Secretary to initiate discussions on how to structure a transfer of funding responsibility over time, subject to quality tests on the services supported. All the evidence that I have seen suggests that Community Transport (Swadlincote) is doing an absolutely fantastic job in serving a large number of people who are disadvantaged, either because they live in a remote rural location or by their disabilities or other requirements, and are therefore less able to use public transport.

Community transport in south Derbyshire has achieved huge growth across a wide range of services, and it has started to demonstrate that there is a huge, unmet demand for public transport in the area. It deserves greater certainty in its planning, and if the Government take the steps that I have described, they will be able to offer it that increased security, which will allow it to build on the tremendous successes that it has already achieved.

7.35 pm

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): I congratulate my hon. Friend the Member for South Derbyshire (Mr. Todd) not only on securing this debate, but on his role in promoting community transport in his constituency. I know that he has been a champion of this transport service.

Community and voluntary transport have a key role to play across the whole country, in both urban and rural areas. I do not want to disappoint my hon. Friend

[Charlotte Atkins]

the Member for North-West Leicestershire (David Taylor), but I fear that his proposal would require an excessive subsidy to make it viable. We are at present focusing on bringing community transport schemes into being under existing viable projects, as he knows because he was present at our debate earlier today. I hope, however, that the kind of scheme to which he referred will become viable in future.

The challenges might vary, but the need for transport for those who are socially excluded for reasons of income, gender, race, disability or geographical isolation is always there. The community and voluntary transport sector has been at the forefront in helping to meet those people's needs. Indeed, the services that it offers have developed and evolved over many years, particularly over the past decade, with enormous changes to their scale, scope and range, and to the professionalism of those providing them.

The breadth of the community transport sector's activities is impressive, and it is perhaps too easy to lose sight of the sheer scale of the operation. The Community Transport Association, which represents the majority of schemes across the country, estimates that there are some 5,000 schemes in the UK, which between them run about 60,000 minibuses. They do so with the help of about 250,000 volunteers and 10,000 full-time paid drivers. I take on board the comments made by my hon. Friend the Member for South Derbyshire about the difficulty of recruiting volunteers; many organisations face that problem. Together, the schemes deliver some 5 million trips for almost 2 million people with mobility problems. Any transport provider would be proud of that record. It is perhaps all the more laudable when we consider that this activity is taking place in the voluntary sector. However, as my hon. Friend has pointed out, funding for the sector is not straightforward, and I fully appreciate the difficulties to which uncertainty over future funding and the complexities of funding applications can sometimes give rise. We shall certainly consider those issues.

This brings me to the issues surrounding rural transport services. Rural travel patterns have changed markedly over the past 30 years. We have seen a significant growth in car ownership in rural areas. Public transport had become a marginal form of transport, and people's journeys became longer as the number of local shops and services declined due to the consolidation of essential services such as health care, post offices and banks. For people without access to a car, that meant increasing difficulties in accessing employment opportunities and essential services.

This lack of accessibility is a significant cause of social exclusion in rural areas, and we recognise the need to improve the transport infrastructure and to enhance rural accessibility. The measures that we are taking are having a positive impact. New and enhanced bus services are being delivered across all rural counties, improving the links between market towns and halting the decline in bus use in rural areas.

Over the past five years, we have more than doubled local authority funding for transport projects. For those authorities with extensive rural communities, considerable funding is being directed at rural areas. An important ingredient of achieving rural renewal is good-quality rural bus services. We have specifically targeted more resources to improve rural bus services. More than £50 million will be spent this financial year alone on the rural bus subsidy grant. More than 2,200 new and enhanced bus services are now being funded from this grant across England, on which some 29 million passenger journeys are being made per year. We have succeeded in giving a much-needed boost to transport links for many rural communities. Our "Future for Transport" White Paper announced the continuation of the rural bus subsidy grant beyond April 2006.

Additional resources for conventional bus services are not the only answer in rural areas. Solutions need to be tailored to local circumstances. We want better targeting of resources by local authorities to meet accessibility needs, greater promotion of rural transport services and a more joined-up approach that links public transport and less conventional services

David Taylor: The Minister refers to a more joined-up approach, and at the beginning of her speech she was kind enough to refer to my intervention. Does she acknowledge that there is a possibility of joining up and integrating bus and rail services in some parts of the country? Will she review with her officials the costings for the national forest line running between Leicester and Burton, through North-West Leicestershire and South Derbyshire, because the passenger figures that produce the prime income are excessively bleak and were drawn up at a time when the two districts involved were much less developed, in all sorts of senses, than they are now?

Charlotte Atkins: Certainly, I will be happy to accede to that request. I have not seen the detailed figures, and I would be only too delighted to examine them.

Detailed local transport planning and accessibility planning guidance was distributed to local authorities at the end of last year. It asks authorities to produce accessibility strategies as part of their next local transport plans, which should include their visions and objectives for accessibility based on an assessment of the needs and problems of the area. The strategies should also suggest how initial priorities will be tackled. The Department has a number of initiatives aimed at supporting the community and voluntary sector in rural and urban areas, and is currently reviewing the permit regimes relating to the community transport sector in order to reduce the barriers to further expansion

Mr. Todd: On that point, I referred specifically to considering partnerships with local employers on transport packages. In my area, for example, a major employer such as Toyota, which obviously produces motor vehicles, would, I am sure, welcome an opportunity to work with other transport providers to provide appropriate transport to bring its employees in and out of work.

Charlotte Atkins: That is absolutely right. We should not forget the bicycle in this respect, as there are tax incentives for employers to provide bicycles to employees at good rates, to ensure that they encourage employees to come to work by bicycle rather than provide them with a car parking space. There are many ways in which employers can encourage sustainable transport policies.

One of the most significant initiatives has been the extension to many community transport operators of the bus service operators grant. Since its introduction in May 2002, more than 800 community transport operators in England have become eligible, and I understand that all the Derbyshire schemes are now claiming. This is a continuing grant providing the organisations concerned with significant help in meeting their operating costs.

With regard to the interests of rural communities in particular, since 1998 the Department has provided significant levels of funding to improve the provision of bus services in rural areas. The rural bus challenge scheme, which has funded 300 projects, has been successful in making possible the development of a wide range of innovative schemes. It has helped many successful projects to become established and to reach the stage of being strong candidates for mainstream funding from local authorities or other sources. It has demonstrated the potential, in particular, of flexibly routed and demand-responsive services in the meeting of local transport needs. More specifically, the Department provided nearly £500,000 for the 2003 rural bus challenge competition for four different rural transport schemes in south Derbyshire involving community transport providers. While we have helped to stimulate many of those initiatives, I acknowledge the hard work and dedication that community groups have invested in improving the quality of life for the many people who rely on them.

Of course we recognise that the funding regimes I have outlined do not provide a long-term funding base for schemes, but that was never our intention, and we made it clear from the outset of the rural—and urban—bus challenge that it was never intended to be a source of permanent revenue support. The main aim was to show the scope for innovation and new approaches, and to get projects under way that would then become part of the mainstream in terms of funding. While I recognise the pressures on local authority resources for revenue support of buses, I should point out that overall Government grant has increased for this year by 7.3 per cent., and by 30 per cent. since 1997.

Some authorities clearly have an exceptional record of working in close and supportive partnership with community transport. Derbyshire is one such authority: its record is commendable and long standing. Others, however, have not yet recognised the value of working in partnership. Many are continuing to provide funding one year at a time. That gives no basis for planning or development.

I believe that it is also important to engage community transport providers in the local transport plan process at a strategic level, in recognition of their contribution to public transport delivery. Again, I acknowledge that Derbyshire is at the forefront of that approach. The LTP guidance to local authorities emphasises the need to encourage active involvement by that sector, but too many community and voluntary transport providers continue to be treated as an optional extra in the transport mix. Those issues too are addressed in the accessibility planning guidance.

Where do we go from here in terms of funding? We all recognise that community and voluntary transport schemes are vital to the mix of transport provision. The Government want to do all that they can to ensure that such schemes can thrive. As we have heard today, the funding issue is a key factor in determining how the sector can continue and develop effectively. It is important that for those involved to be able to share their experiences, learn from others and develop their funding policies with the broadest possible understanding of the sector. To that end, we have commissioned the Community Transport Association to produce a good practice guide to funding. The association is due to deliver the guide early this year, and we intend to make it widely available to all involved. Moreover, the funding issue will no doubt be considered in the context of a research project that we have commissioned to look at the role of community transport in reducing social exclusion. One of the aims of that work is to identify and evaluate the funding regimes available to the sector.

As part of our commitment to the compact with the voluntary sector, we have now completed the "working in partnership with the voluntary and community sector" strategy and action plan. That document outlines how the Department has met, and will continue to meet, the aims of the compact. Through continued liaison with the sector, we will obtain views on the Government's transport agenda and on barriers that voluntary organisations face in providing a full and sustainable service. A community liaison manager has been in post for six months to deal with that.

Our role is to provide a policy, regulatory and financial framework at national level so that the transport system works for everyone. That is a challenging task, but one that we are committed to completing.

Question put and agreed to.

Adjourned accordingly at twelve minutes to Eight o'clock.

House of Commons

Wednesday 12 January 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Housing (South-East)

1. **Mr. Mark Francois** (Rayleigh) (Con): What representations he has received about the scale of proposed house building in the south-east; and if he will make a statement. [207359]

The Deputy Prime Minister (Mr. John Prescott): We have received the regional assembly's proposals for the east of England for the period up to 2021, which are now out to public consultation and will be considered in a public examination by an independent panel in September. Proposals for house building in the south-east up to 2026 are expected later this year.

Mr. Francois: I thank the Deputy Prime Minister for that reply. He will be aware that, in November 2004, the East of England regional assembly, which encompasses some south-eastern counties, voted for a house building target of 478,000 dwellings by 2021. In December, the same body withdrew its endorsement for its own target on account of the lack of Government infrastructure funding to accompany the house building. Now that even the Deputy Prime Minister's own quango has turned on him, will he—

Mr. Speaker: Order.

The Deputy Prime Minister: Any judgment about how many houses are needed in the north-east will be considered not only by the proposals—[HON. MEMBERS: "The south-east."] It is the same for the south-east and for the east of England. To be clear, the proposals considered included some parts of the south-east as well as the east of England but, whatever the figures, they will be decided in public consultation. I will then appoint an independent review and it will make judgments about whether there is sufficient transport investment—which I believe there will be—to meet the housing requirements. Let the review make its recommendations, and then I will make a proper judgment about them.

It is rather curious that the hon. Gentleman calls in aid the regional assemblies just when the Conservatives are recommending in the James review to get rid of them as well as the regional government offices that they set up. Some 3,000 people would be made unemployed and the land of the regional development agencies would be sold off. The good, old James proposals go back to the old formula: more on the dole, fewer public services and the typical boom-and-bust policy of the Tories.

Mr. Derek Wyatt (Sittingbourne and Sheppey) (Lab): We have 8,000 homes in our local plan for the next 10 years. Does my right hon. Friend accept that if the Rushenden link road were built on the Isle of Sheppey it would allow 1,000 extra houses to be built that could be given over to key workers and older people? Some 15,500 older people need housing on the Isle of Sheppey, so will he consider that proposal in the near future?

The Deputy Prime Minister: My hon. Friend has made a considerable contribution to this discussion. As he knows, the proposal is under active consideration by my right hon. Friend the Minister for Housing and Planning. We hope shortly to make a further statement on matters relating to key housing and social housing.

Mr. John Hayes (South Holland and The Deepings) (Con): The national land use database reveals that 5,700 hectares of brownfield land have been identified by local authorities as being suitable for housing in the south-east. When that would provide nearly 140,000 new homes, why has less than a third of that land been taken up for housing? Instead of the Deputy Prime Minister's usual bluster, will he confirm that he wants to blitz Britain's countryside because he is absolutely determined to fulfil his pledge that the Labour party invented the green belt and he means to build on it?

The Deputy Prime Minister: That was cutting. Let me give the hon. Gentleman a couple of facts. When we came in, 56 per cent. of houses were built on brownfield sites. The figure has now gone up to 67 per cent. and even beyond the target that we set. That is a remarkable achievement. Secondly, the density of housing has now increased from 25 to 33 per hectare. Therefore, we can now build the 200,000 houses that we need for the south-east on the same amount of land that the Conservatives were building on in 1997.

Local Government

2. **Paddy Tipping** (Sherwood) (Lab): What proportion of local government spending was (a) met by Government grant and (b) raised locally in the 2004–05 financial year. [207360]

The Minister for Local and Regional Government (Mr. Nick Raynsford): In the 2004–05 financial year, budget estimates indicate that 74 per cent. of local government revenue expenditure is being met by Government grant, including redistributed business rates, and 26 per cent. by council tax.

Paddy Tipping: Is not the balance of funding wrong? Should not more money be raised locally so that local councillors are more accountable? Is it not a fact that, ultimately, the council tax is unsustainable? When can we see the results of the Lyons review and action on it?

Mr. Raynsford: I have a lot of sympathy for the views expressed by my hon. Friend. As he will know, the balance of funding review reported in July last year and concluded that there are strong arguments for shifting the balance towards more local funding, but that depends on the feasibility and desirability of any measures that might be used to achieve it. That is precisely what the Lyons inquiry is looking at, and it expects to report by the end of this year.

Mr. Edward Davey (Kingston and Surbiton) (LD): The Minister says that the Lyons review is considering these issues. Will he confirm that it is subject to the Freedom of Information Act 2000? What support is his Department giving Sir Michael Lyons to ensure that the inquiry's working papers and research are accessible to the public as soon as they are available?

Mr. Raynsford: The Lyons inquiry is independent, so the hon. Gentleman should pose his question directly to Sir Michael Lyons himself. However, I assure him that a great deal of detailed work has been done. As he will know, because there was a Liberal Democrat representative on the balance of funding review, all the working papers were made publicly available. He will also know only too well that the evidence makes it clear that his party's proposal for a local income tax is a mistake and that it would be impractical and not in the long-term interests of the country.

Mr. Bill O'Brien (Normanton) (Lab): When considering local government expenditure and finance, will my right hon. Friend examine the major problem that is developing in many areas because health and social care is funded by the Department of Health and local government? Will he take into consideration the need for local authorities properly to fund health and social care?

Mr. Raynsford: My hon. Friend makes a fair point, but he will be aware that under recent settlements there has been a sustained increase in local government funding, with a 33 per cent. increase in real terms since 1997. Specifically, the funding that is targeted on social care has increased above the average, so the Government are well aware of the need and are putting money into local government to ensure that the needs of communities are met without imposing unreasonable council tax increases.

Mrs. Caroline Spelman (Meriden) (Con): Since 1997, council tax has risen by 70 per cent. and average bills are set to top £1,000—the highest ever. At the same time, council tax receipts to the Treasury have soared by 80 per cent. Does the Minister accept that the Office of the Deputy Prime Minister has been filling the Chancellor's coffers by stealth and that the sooner it is gone, the sooner we can restore fairness and accountability to local government?

Mr. Raynsford: In terms of fairness and accountability, when the hon. Lady's party was in power grants to local government were cut year after year and local authorities were faced with the real problem of trying to meet local needs without adequate finance. Since this Government have been in power, the grant to local government has increased by 33 per cent. in real terms, which has enabled councils to budget prudently. If she were really worried about council tax, she would be talking to Conservative councils, because they had the unenviable record last year of setting larger increases than Labour councils—5.4 per cent. compared with 4.7 per cent. Labour is leading the way on keeping council tax down.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): How much of Liverpool's growing success does my right hon. Friend attribute to the Government's increased funding for its local services?

Mr. Raynsford: My hon. Friend makes a good point. It has been possible for councils throughout the country to make real improvements, as the comprehensive performance assessment published by the Audit Commission at the end of last year demonstrated. There have been real improvements to performance, and public needs have been met more effectively because of much more generous funding from the Government, and we are proud of that.

House Building

3. **Mr. Henry Bellingham** (North-West Norfolk) (Con): When he next expects to meet representatives of county councils from East Anglia to discuss house building targets. [207361]

The Minister for Housing and Planning (Keith Hill): The East of England regional assembly produced a draft spatial strategy in November, which included modest increases in house building figures. The Government will give their response to the proposals in the course of the public consultation that is under way and will be followed by an examination in public later this year. Of course, if the Conservative party were to come to power during that period, its planned £1 billion cut to the housing budget would mean fewer homes for the sons and daughters of hard-working families in the east of England, less affordable housing and more homelessness.

Mr. Bellingham: Is the Minister not aware that his house building targets for East Anglia have met overwhelming opposition—even the East of England regional assembly rejected them? Does he not understand that people in Norfolk want more affordable housing for local people, not thousands of ugly four-bedroom homes on greenfield sites that will be bought by commuters, second-home owners and retired people?

Keith Hill: The hon. Gentleman will be aware that the East of England regional assembly voted in favour of the new planning figures before the Tories on it voted against them a fortnight later. He talks about affordable housing, but the fact of matter is that the east of England

region has received the highest increase in new investment for affordable housing—50 per cent.—of any region in the country. Under the proposals in the James report, all that investment would be removed, so what would the hon. Gentleman say to his constituents whose children are desperately in need of homes in which to live?

Mr. Stephen McCabe (Birmingham, Hall Green) (Lab): Could those representatives and the representatives of all other Tory authorities be advised of the implications not only for housing but for a range of Government initiatives directed at the poorest sections of society if the act of wilful vandalism promised by the shadow Chancellor were ever to be visited on the Department?

Keith Hill: My hon. Friend is entirely right. That set of proposals would devastate investment in our cities, investment in housing and investment in essential local services. The Conservatives will be held responsible in the months ahead, and we look forward to their having to account to themselves and their electorate for such devastating proposals.

Mr. Bernard Jenkin (North Essex) (Con): May I point out to the Minister that his Government's record on building social housing and reducing homelessness is a good deal worse than that of the last Conservative Government? May I serve notice on him that the people of Great Bromley, Elmstead and Frating do not want a Labour-inspired new town imposed on rural Essex? Rural north Essex is not for sale.

Keith Hill: The hon. Gentleman ought to revisit his statistics. The Government are investing three times the level of funding for new social housing that we inherited in 1997. Under the new proposals only an additional one in eight new homes is proposed for the east of England region. If those homes are not to be delivered, he must explain to families in his constituency why their children, who are so desperately in need of new homes, will not receive them and why the Conservative party opposes that provision.

Housing Renewal

4. **Valerie Davey** (Bristol, West) (Lab): What steps his Department is taking to identify and spread good practice by local government in housing renewal work. [207362]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Phil Hope): The Department is fully committed to improving the quality of the private sector housing stock by encouraging, through financial support and guidance, the development of innovative housing renewal policies by local authorities. In particular, the Department is supporting the work of the four councils awarded beacon status for housing renewal in 2004. I am pleased to put on record the excellent leadership role played by Bristol city council as one of those four beacon authorities.

Valerie Davey: Indeed. Bristol city council's housing section has been awarded additional funding, particularly in connection with training for the health and safety ratings system, and in relation to houses in multiple occupation it has involved the police, the fire service and the university in that training. Will my hon. Friend join me in commending the department's staff for the quality and range of the work that they are doing?

Phil Hope: My hon. Friend is right. I am delighted to congratulate the staff of Bristol council and its partnership agencies with which they have been working to protect the health and safety of the most vulnerable tenants, who are at the forefront of our drive to improve housing conditions. We would like other local councils to follow the example of authorities such as Bristol in establishing those strong partnerships so that we can protect vulnerable families in high-risk housing. Such families would suffer most from the £1 billion cuts to housing budgets that the Opposition would inflict on local authorities, were they ever to get into power.

Sir Sydney Chapman (Chipping Barnet) (Con): Is it the Minister's experience after two years that the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 is working better than the old Housing Grants, Construction and Regeneration Act 1996? If so, will he say how many properties have benefited in kind or in cash, excluding those that were being helped and continue to be helped by disabled facilities grants—about 27,000 grants a year?

Phil Hope: I may not be able to give a detailed reply now to the hon. Gentleman's questions about people with disabilities, but the regulatory reform order on housing renewal has been very successful. It has given housing authorities greater discretion in giving grants, loans and equity release packages to homeowners, as well as the grants. We set a target to increase the proportion of vulnerable households in the private sector who live in decent homes from 57 per cent. in 2001 to 70 per cent. in 2010. That is good news for those vulnerable households. I will write to the hon. Gentleman with the details that he asked for. I might also include in the note the potential impact of the £1 billion cut in housing budgets that the Tory party would inflict on those vulnerable households and families.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I am sure that my hon. Friend would like to identify as an example of good practice the work of Sheffield city council and tenants' representatives in the city in consulting on and then developing and creating the citywide and area arm's-length management organisations, which will certainly improve the city's housing in the next few years and bring it to a decent standard. Will he give an assurance that, as part of the internal review on ALMOs, there will be no reduction in the funding available to ALMOs to create decent homes, and that there will be no attempt to remove the right of ALMO tenants to have their homes remain in the ownership of the city council, which is one of their most important features?

Phil Hope: I am happy to congratulate Sheffield on its excellent record. The important feature of an ALMO is that the stock remains in the ownership of the local authority. There are now 50 ALMOs covering a total of some 700,000 council homes—about one in three of all local authority stock. That is a remarkable achievement. Those homes are being improved. Hundreds of millions of pounds are being spent—with another £2 billion being invested to upgrade homes in the social sector—to ensure that vulnerable people, people from all walks of life, have decent homes in which to live.

Travellers

5. **Ann Winterton** (Congleton) (Con): If he will make a statement on enforcement action available to local authorities in respect of unauthorised Travellers' sites. [207363]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Yvette Cooper): Local authorities have a range of enforcement powers available to prevent inappropriate development. They need more powers to be able to take swift action to prevent damage from being done, and that is why we are introducing temporary stop notices. We also expect local councils to do more to identify appropriate sites so that Gypsies and Travellers have somewhere else to go.

Ann Winterton: Middlewich and the surrounding areas in my constituency have been blighted over a number of years by illegal encampments, and local residents believe that the Human Rights Act 1998 militates against the law-abiding citizen. Notwithstanding the Minister's reply, even more robust powers are needed to allow local authorities to seize and remove illegally parked caravans, and to allow courts to levy fines that—

Mr. Speaker: Order. The hon. Lady is making a speech.

Yvette Cooper: The hon. Lady will know that I obviously cannot comment on the details of her individual case, but I can say that local councils have powers to remove caravans at the end of the planning process, for example, and the police can take action where there are unauthorised encampments. I disagree with her concerns about the Human Rights Act, which insists that the rights and responsibilities of Gypsies and Travellers be considered, but also the rights and responsibilities of the settled community. The real underlying problem here is that we do not have enough appropriate sites for Gypsies and Travellers to move on to. If we expand the number of appropriate sites, it will be possible to take much swifter action. More enforcement is needed, but that needs to go hand in hand with local councils doing more to identify appropriate sites as well.

Andrew Bennett (Denton and Reddish) (Lab): Does my hon. Friend agree that the real problem is the lack of sites for Travellers, and is it not high time that local authorities were forced to provide sites and to ensure that under the planning system Travellers can buy land to provide sites?

Yvette Cooper: The Select Committee on the Office of the Deputy Prime Minister, which my hon. Friend chairs, has done some important work on the issue. I agree that we need more sites, and that is why we are consulting on new planning guidance, which would oblige local authorities to identify sites in their local plans, and if they did not the planning inspector would be able to intervene.

Affordable Housing

6. **Sir Nicholas Winterton** (Macclesfield) (Con): If he will make a statement on the provision of quality affordable housing. [207364]

The Deputy Prime Minister (Mr. John Prescott): Investment in affordable housing will be about £2 billion in 2007–08—double what it was in 1997. This will provide for 75,000 new social homes for rent by 2008 and help a further 40,000 into home ownership. New build homes from that programme will fulfil regionally identified needs and reach the demanding standards for design quality and environmental performance.

Sir Nicholas Winterton: Does the Deputy Prime Minister accept that quality affordable housing often forms part of a larger development? Does he therefore accept from me that the housing moratorium that exists in my constituency is very damaging indeed to the provision of affordable housing? Will he therefore remove that moratorium to enable the economic progress of my constituency to continue and to enable affordable housing to be provided?

The Deputy Prime Minister *rose—*

Mr. Speaker: Order. Before the Deputy Prime Minister replies, I say to the House that the noise is intolerable. [HON. MEMBERS: "Hear, hear."] Perhaps those who are cheering me on will take heed.

The Deputy Prime Minister: The hon. Gentleman will be aware that we have improved the quality and design of the houses built, which are reaching a far higher standard. There is no moratorium with regard to social housing. I have looked into the figures, and I can say that there is no moratorium for new homes in Macclesfield; indeed, there are 12,790 additional homes each year, and 1,600 of them will be in Cheshire. That is hardly a moratorium. He must recall that, when he was in the previous Administration, housing investment halved in its last four years, while it has doubled under this Government, providing more homes. I suggest that he talks to those on his Front Bench, as the recent James proposal would take £1 billion out of housing in his constituency and everyone else's.

Mr. Ronnie Campbell (Blyth Valley) (Lab): Given the increasing number of homeless people throughout the United Kingdom—it is starting to rise in every council area—does the Deputy Prime Minister agree that we should be building houses or encouraging local authorities to spend money to build houses for rent for these unfortunate people?

The Deputy Prime Minister: We have more than doubled the amount of investment since we came to power, and we are encouraging local authorities to invest more in both the improvement of housing and other proposals, even building new housing. I will make a statement about this matter shortly. It is of absolute importance that we build more homes in both the public and private sectors, and we are doing that, but as my hon. Friend will be aware, we inherited such a backlog that we still have some way to go.

Bob Russell (Colchester) (LD): How many of those new affordable homes will be council houses? The Deputy Prime Minister must accept that the private sector has not delivered; that housing associations do not have enough resources and that the number of new council houses built by new Labour is only 3,000 in seven years. The Thatcher Tory Government built 350,000 council houses in their first seven years in power.

The Deputy Prime Minister: The hon. Gentleman has asked a great deal of questions about housing, so he must surely be aware that he should take into account how many social houses are being provided. I understand the point about council housing, but many houses are built by the Housing Corporation, and transform building will improve many houses, so it is a different category of definition. I say to the hon. Gentleman that I am not against building council houses, but at the moment there is a desperate need for us to put the investment back into improving the £19 billion disinvestment in council housing that had taken place when we came to power in 1997. Bringing 2 million houses up to decent standards is our objective, and we are on our way to completing it.

Grassmoor Lagoons

7. **Mr. Harry Barnes** (North-East Derbyshire) (Lab): If he will discuss with the Secretary of State for Trade and Industry extending funding approved for remedial work and development at the former Avenue Cokeworks site in north-east Derbyshire to the clearing up of the connected tar beds deposited at Grassmoor lagoons. [207365]

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Phil Hope): The Government of course accept that they have inherited a liability in respect of the Grassmoor site. My hon. Friend is aware that the Department of Trade and Industry has agreed to fund a study, which is already under way and will, we hope, be completed around May this year, to update the remediation strategy on that site.

Mr. Barnes: Is my hon. Friend aware that Grassmoor lagoons are in the middle of a country park and contain residue from a cocktail of chemicals deposited in liquid from nearby Avenue cokeworks, which was closed 12 years ago, although it is brought back to life when it rains, creating many problems in the area? Now that the Office of the Deputy Prime Minister has supplied a very welcome £104 million to tackle the problems of Avenue cokeworks, does that not add to the case for the Grassmoor lagoons to be dealt with, which means that we should encourage the Department of Trade and Industry to act quickly?

Phil Hope: I have some good news for my hon. Friend and his neighbour, my hon. Friend the Member for Bolsover (Mr. Skinner): the Department of Trade and Industry has already put aside an additional £4 million to cover liabilities at the Grassmoor site, and it will make a further announcement once the strategy is complete. That is good news for the environment and the local community. In sharp contrast, the Conservative party would make cuts through its £1 billion attack on the ODPM and the housing budget.

Fire and Rescue Control

8. **Mr. Laurence Robertson** (Tewkesbury) (Con): If he will make a statement on his planned regionalisation of fire and rescue control rooms. [207366]

The Minister for Local and Regional Government (Mr. Nick Raynsford): The plan to replace the existing 46 control rooms in England with a network of nine regional control centres is being implemented for reasons of resilience and public safety. The new centres will ensure more effective responses to local, regional or national incidents, while also allowing a more efficient redeployment of resources.

Mr. Robertson: Is the Minister aware of the enormous opposition to that scheme across the country from councils, local people and the fire service itself? Why does he feel that all those people are wrong and that he is right? Will he take into account the circumstances in Gloucestershire, where the fire and rescue service emergency room has recently moved into a new tristar centre? His proposal is not only expensive but wrong.

Mr. Raynsford: Everyone who examines the issue closely realises that the new investment will provide enormous gains through better technology, which will identify where calls come from and automatically mobilise those appliances best placed to respond to them. When people understand the implications, they welcome the investment, which will improve the quality of the service and save lives. As far as Gloucestershire is concerned, his county's current tri-service arrangement involves the expenditure of £112 on each incident, whereas the cost of the regional control centre will be £52 per incident. Halving the cost will allow money to be spent on fire prevention and saving lives.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [207344] **Vera Baird** (Redcar) (Lab): If he will list his official engagements for Wednesday 12 January.

The Prime Minister (Mr. Tony Blair): Before I list my engagements, and in view of my statement to the House on Monday on the tsunami, I shall update the House on the current figures for British losses. The number of confirmed dead remains at 51. The number of category 1 missing—those most likely to be lost—is, including the 51 confirmed dead, now 410, which is down from 453 on Monday. The category 2 figure—those unaccounted for but not in the highly likely category—now stands at 624, which is down from 871 on Monday.

I am sure that all hon. Members will join me in sending our warmest congratulations to the newly elected Palestinian President, Abu Mazen. Let us hope that his victory with a strong majority and strong mandate will give us the chance to move the middle east peace process forward.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Vera Baird: Will my right hon. Friend join me in congratulating Redcar steelworks, which won a contract in December to export all the steel that it can produce for the next 10 years? The regional development agency supported that process, as it recently supported investment in the Teesside chemicals industry. Unemployment in my constituency is now being slashed. Will my right hon. Friend ensure that RDAs are not cut from future budgets?

The Prime Minister: I congratulate my hon. and learned Friend's constituents on winning the necessary contracts for steel production in Redcar and elsewhere. Under this Government, the RDAs will continue to have the budget that they need to make a difference to thousands of jobs up and down this country. We therefore completely reject the Conservative party's proposals, which are to cut the budgets of the RDAs, to put more people in the dole queue and to place our local economies at risk.

Mr. Michael Howard (Folkestone and Hythe) (Con): I am grateful to the Prime Minister for his statement on the victims of the tsunami. I wholeheartedly join him in the congratulations that he has expressed to Abu Mazen. I am sure that the whole House hopes that the election will mark a significant step forward in the middle east peace process.

When the Chancellor told the Prime Minister that

"there is nothing that you could ever say to me now that I could ever believe",

how did the Prime Minister reply?

The Prime Minister: I am afraid that the question does not arise, since the Chancellor did not say that to me; the claim in the book happens to be wrong.

Let us turn to the issue of substance and policy. Since the right hon. and learned Gentleman has mentioned the Chancellor, let us talk about the economy. Perhaps he will explain why under this Government, since 1997, there are 2 million more jobs, and perhaps he will confirm that when he was Employment Secretary there were 1 million more unemployed. I know that the Conservative party does not want to hear that, but that is what they will be hearing from now until polling day.

Mr. Howard: The Prime Minister denies that the Chancellor said those things, but the Chancellor yesterday had every opportunity to deny them and, as we all know, he pointedly refused to deny them. Perhaps the Prime Minister is the only person who did not notice. What the Chancellor said could not be more damning. He said that

"There is nothing that you could ever say to me now that I could ever believe".

Why did the Chancellor not deny that yesterday?

The Prime Minister: Both the Chancellor and I have dismissed what is in books as the tittle-tattle that it is. Let us turn to another policy issue. The right hon. and learned Gentleman said yesterday that it is time that we focused on the people's priorities, so let us focus on one: mortgages. Will he confirm—*[Interruption.]*

Mr. Speaker: Order. The Leader of the Opposition and the Prime Minister are allowed some leeway during Prime Minister's Question Time.

The Prime Minister: When the right hon. and learned Gentleman was a member of the last Conservative Government, interest rates were at 15 per cent. for a year and at 10 per cent. for four years. Under this Government they have been halved. Is not that what we should focus on?

Mr. Howard: The Chancellor says what we all think: the Prime Minister goes on and on about all these things but no one believes a word he says. The Prime Minister can clear all this up very simply. Did he ever say to the Chancellor that he was going to stand down before the election—yes or no?

The Prime Minister: I have dealt with that on a number of occasions. I have explained why no one does deals over jobs such as this. That has been said constantly.

The right hon. and learned Gentleman said that no one would believe a word we say. Well, there are 2 million more jobs. Mortgage rates have been half of what they were under the Conservative Government. Mortgages, inflation and unemployment are the lowest that they have been for over 30 years. Which one of those statements is false?

Mr. Howard: The Prime Minister says—*[Interruption.]* The Prime Minister says that he does not do deals over his job, but he did a deal over his job over dinner at Granita. He did a deal over dinner at Admiralty house. He is the deals on meals Prime Minister. No wonder the Chancellor is not a happy eater.

Now let me tell the Prime Minister why these things matter. The spokesman for senior civil servants has said that

"Number Ten and the Treasury ... have ... conflicting and competing agendas for Government".

He said that

"Departments . . . have to try to make sense of this battle".

He also said:

"It's not good Government."

This is something that goes directly to the heart of Government. That is why it is important. So let me ask the Prime Minister again: did he tell the Chancellor that he would stand down? Does he deny it—yes or no?

The Prime Minister: I have already dealt with that on a number of occasions and I have no intention of going back over it again.

I notice that the right hon. and learned Gentleman did not deny a single one of the economic facts that I gave him. Perhaps he will also confirm this: that as well as the economic record on low mortgages, low inflation, low levels of unemployment, and high levels of employment, waiting lists are now down by more than 300,000 on the number that we inherited from him, and primary school results are now up from just over half the kids getting them to almost 75 per cent. Perhaps he will also confirm this: that under this Government, there are 12,000 more police officers. When he was Home Secretary, he cut the numbers of police officers by 1,000—true or false?

Mr. Howard: Crime fell by 18 per cent. when I was Home Secretary—that is all anybody needs to know about my record. The Prime Minister wants to talk about his record, so I will tell him about it. We have more than 1 million children playing truant from schools, we have more people dying from hospital infections than dying on Britain's roads, and there are more than 1 million violent crimes. How can there be discipline in schools when there is no discipline in Government? How can they clean up our hospitals when they cannot clean up their act? How can they fight crime when they are fighting each other?

The Prime Minister: I can tell the right hon. and learned Gentleman very simply. At long last, we have got on to our record, so let us be quite clear what it is: under this Government, we have economic stability and success. When he was a member of the last Government, there were two recessions. People remember the negative equity, the high mortgages and the 3 million unemployed. They remember what happened under the last Conservative Government, and they remember something else that I have not mentioned before—that he was the Minister responsible for introducing the poll tax. *[Interruption.]* Well, come on—true or false? Did he introduce it? Yes, he did. Therefore, at the next election, whenever it comes, he can stick up whatever he likes on billboards about something in a book, but what the public will concentrate on are the low mortgages, low inflation and low unemployment that we delivered and he failed to.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): Is not one of the questions that will interest the people of this country for many years to come that of baby bonds, which come into full effect in April? Am I not right in saying that we need to give full publicity to this, because it not only starts people off with a pocket of money but enables others to put money into those accounts to encourage saving and, above all, to help to end poverty when those youngsters reach the age of 18 with a significant sum of money for the future?

The Prime Minister: I agree entirely with what my hon. Friend says about baby bonds—the child trust fund—which will be very popular in the country and will help to encourage saving as well as giving young people some stake in the future of the country. However, there are other areas, such as child care, where we are extending the boundaries and frontiers of the welfare state. That is why it is so important that we continue the investment in such things throughout the next few years, and why the Conservatives' proposals, which would cut public spending in some of these vital areas, would be so disastrous for Britain.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): I am sure that the Prime Minister would wish to join me in paying tribute to the emergency personnel across the north of England and the length and breadth of Scotland who are coping with the severity of the atrocious weather of the past few hours. Indeed, Mr. Brian Downie, the principal emergency planning officer of the Highland region, described it to me earlier today as the worst that he has experienced professionally in almost 20 years. I am sure that we are all grateful to these people, who are working tirelessly and in dangerous conditions to restore power and other services to people throughout the communities affected.

Turning to a political issue, does the Prime Minister acknowledge that the Chancellor's proposal for a Marshall plan for Africa can be realised only if the United States, in particular, were to come on board? Does he agree that one of the best ways to convince President Bush of this approach and to support the international finance facility is to ensure that it is based on the principle of good governance within Africa and on the fact that people can be reassured, not least in the States, that the money that is being given is used properly for the purposes for which it was given?

The Prime Minister: On the first point, it is right to pay tribute to all who have been involved in the emergency response to the floods—the fire, ambulance and police services, the local authorities, the Environment Agency, the Scottish Environment Protection Agency, the coastguard, mountain rescue and those involved in the military aspect. We should also thank the voluntary organisations, because they are helping to care for those affected. I offer condolences, I am sure on behalf of the House, to the families of those killed and extend sympathy to those who are experiencing stress and structural damage to their homes. My hon. Friend the Minister for the Environment and Agri-environment will respond to an urgent question in the House on that afterwards.

On the Africa plan that we intend to put to the G8 this year, the international finance facility is one way, although not the only way, to extend the amount of aid that will be available to Africa. I also entirely agree that good governance and, for example, conflict resolution must form part of the plan that we intend to present.

Mr. Kennedy: I thank the Prime Minister for both replies. He will know about the interest in recent reports that he may be considering merging the Foreign Office with the Department for International Development, to create a new super-Ministry. Is that proposal under active consideration? If so, does the Prime Minister believe that the Chancellor of the Exchequer might consider that post to be the suitable job promotion that he is looking for?

The Prime Minister: I am sorry to say that that is not under consideration. The creation of a special Department for International Development has been a worthwhile innovation by the Government. There was some nervousness about it in many quarters—possibly even in some parts of the Foreign Office—when it happened. However, one of the most interesting aspects of events in the past seven and a half years has been the establishment of our Department for International Development as probably the most respected such Department in the world. I want to keep it that way.

Mr. Brian Wilson (Cunninghame, North) (Lab): In connection with the recent extreme weather conditions in many parts of the United Kingdom, will the Prime Minister join me in expressing special appreciation to the employees of the power companies who have worked so valiantly to keep the power supply going, often in treacherous conditions? Will he also acknowledge that the robustness of the power infrastructure in any part of the country in such circumstances is directly related to ongoing investment and maintenance? We therefore welcome the recent Ofgem price review, which made some progress on that, but will my right hon. Friend ensure that every corner of the country is served by power infrastructure companies that are obliged to make the necessary investment at all times to avoid power cuts when such conditions occur?

The Prime Minister: My right hon. Friend is right. I am happy to pay tribute to the work of the employees of the power companies. I should add that it is also important to maintain the investment in flood defences, which is now approximately £570 million a year, or due to be that amount in the next financial year. I am afraid that that shows the extent of the investment that we have to make to deal with what people increasingly regard as changed weather circumstances that have something of a permanent feature. That is one reason why it is important for the G8 to focus on climate change as well as Africa.

Q2. [207345] **Mr. Edward Leigh** (Gainsborough) (Con): In the past three years, I have spent much time interrogating civil servants. On all occasions, I have found them to be frustratingly loyal to Government in presenting Government policy as a seamless robe. How, therefore, does the Prime Minister respond to Mr. Jonathan Baume, the leader of the First Division Association—the mandarins' union—who recently said, not in a book but in a recorded statement, that civil servants were having difficulty in making sense of the competing agendas of No. 10 and the Treasury? If civil servants are loyal to Government, is not loyalty a two-way street?

The Prime Minister: As I told the right hon. and learned Member for Folkestone and Hythe (Mr. Howard) a moment ago, the Government's agenda is clear on the economy and investment in public services. The most important thing is to point out that, for example, last Friday, we had the waiting list figures for the national health service, compiled on exactly the same basis as they have been compiled for years, and as a result not only of investment but of reform in the NHS, they are at their lowest since records began. Now that is a demonstration of the Government's commitment.

I understand civil servants' anxiety, particularly when we are asking for big job reductions in the civil service, but we can see in the record of this Government the ability not just to run the economy well but to invest in public services. I should like to quote back to the hon. Gentleman something that he said on the "Politics Show" a short time ago:

"What I believe is that if you want to spend more money on the NHS, if you want to spend more money on state education, you are going to vote Labour".

I fully endorse those sentiments.

Q3. [207346] **Chris Bryant** (Rhondda) (Lab): In the run-up to Christmas last year, UK lenders sent out 140 million unsolicited, pre-approved credit card application forms, and a similar number of unsolicited, pre-approved personal loan applications. Does the Prime Minister condemn the tactics used by many credit card companies and banks to encourage families to take on levels of debt that they cannot possibly afford? Will he consider further measures to curb this irresponsible marketing?

The Prime Minister: My hon. Friend is right on the general point that he makes about the importance of legislation such as the Consumer Credit Bill, which I understand has its Commons Second Reading tomorrow. That is obviously important. There is also an action plan, which we published last July. In the priorities that it sets out for work by consumer credit companies, banks and others, the access to affordable credit and high-quality, free debt advice is central. I agree that it is important that the powers that these companies have should be exercised responsibly, and we will do our level best to ensure that they are.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): In case after case before the courts, local authorities have lost out to Travellers pleading the human rights agenda in defence of unauthorised encampments. Are the Government willing to legislate to stop human rights laws being used to drive a coach and horses through our planning system, as the Leader of the Opposition has pledged a Conservative Government would do?

The Prime Minister: We have the new enforcement notices coming into provision this week—

Mr. Hammond *indicated dissent.*

The Prime Minister: Before the hon. Gentleman shakes his head, perhaps he will listen to my answer. This is a new power that will allow local authorities to act very quickly indeed. However, let me make it clear

that, if the experience of that new power—which local authorities and others say will be both necessary and important in enforcing the law properly—turns out to be inadequate, we will look at this again. I entirely agree that the interests of the ordinary public have to come first, but we want to ascertain, first of all, whether the legislation that we already have is deficient in some way before we look at fresh legislation. We believe that it will not be deficient, and that it will work.

Q4. [207347] **Ms Karen Buck** (Regent's Park and Kensington, North) (Lab): After years in development, the business case for the revised Paddington health campus has just been submitted to the Department of Health. This is the most prestigious and ambitious hospital development to have been attempted in this country, and the benefits will be huge. It will mean new facilities, and clinical and financial benefits, for international institutions such as the Brompton, Harefield and St. Mary's hospitals. It has been a difficult scheme to develop because it is ambitious and complex, but the cost of failure would be very great. Will my right hon. Friend ensure that it proceeds with all speed, as we are now within reach of one of the finest jewels in the NHS crown?

The Prime Minister: I know that the Minister of State, Department of Health, my right hon. Friend the Member for Barrow and Furness (Mr. Hutton), is attending a meeting next week to discuss this, and I actually know a bit about it myself, having seen the site. It is an extraordinary, imaginative design. My hon. Friend will know that, as a result of the action already taken, in-patient and out-patient waiting lists and the amount of time people have to wait at the accident and emergency department at St. Mary's are already substantially down from 1997. These will be state-of-the-art facilities that will serve not only that part of London but, in some respects, the whole of the country for years to come. Again, it is an example of why it is so important that we keep the investment programme in our national health service going. Under this Government, it will be kept going.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Does the Prime Minister recall promising in 1999 that anybody wishing to access NHS dental provision would be able to do so by the end of 2001? Will he now have the grace to say that that is a broken promise? If, as he says, the Chancellor did not say

"There is nothing that you could ever say to me now that I could ever believe",

many of us believe that the Chancellor should have said it.

The Prime Minister: I accept that some people are still not getting access to NHS dentists. Let me tell the hon. Gentleman, however, what we are doing: we are bringing some 1,000 new dentists into the service; and we are working with the British Dental Association to try to make sure that we give people access to NHS care. Long-term issues associated with dentistry, however, must also be considered. I accept that these are difficult issues, but it is impossible for anyone to consider the national health service as a whole today, even with problems such as MRSA and others, and to say that it is not definitively better than it was in 1997. Yesterday, I was discussing with health service professionals things that have happened, such as the accident and emergency changes, and they said that whereas a few years ago we were held up at international symposiums as an example of a system that failed, at the most recent international symposium we were held up as an example of the fastest improving service.

Civil Service Jobs

Q5. [207348] **Mr. Brian H. Donohoe** (Cunninghame, South) (Lab): What the timetable is for the proposed dispersal of civil service jobs; and what plans there are for the relocation of jobs to Ayrshire.

The Prime Minister: In broad terms, the timetable is that more than 4,000 posts will have been relocated out of London and the south-east by March 2005, another 6,000 by March 2008, and a further 10,000 by 2010. As I made clear in a letter to my hon. Friend, we are unable to say at this stage how many civil service jobs will be relocated to Ayrshire. Departments are currently working through detailed implementation planning in consultation with stakeholders, including union staff and local stakeholders.

Mr. Donohoe: I am grateful for that answer. I am sure that my right hon. Friend will be aware that I asked him a similar question on 10 November and got a similar answer. What he will not be aware of is that, in the interim, some 162 jobs have been lost with the transfer out of my constituency of civil service jobs in the Department for Work and Pensions. Consequently, will he agree to meet a small delegation to discuss this issue?

The Prime Minister: I will certainly be pleased to receive representations from my hon. Friend on the possibility of jobs being relocated to Ayrshire, and perhaps we can discuss further the possibility of a meeting.

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): Could I possibly be included in the delegation that comes to see the Prime Minister about this important subject? The hon. Member for Cunninghame, South (Mr. Donohoe) is absolutely right that the Department for Work and Pensions is engaged in a series of centralisation measures that will reduce the numbers of jobs in many areas, such as Galashiels in south-east Scotland, which will feel it hard. Will he also bear in mind, if he is establishing criteria for the dispersal of civil service jobs in future, the fact that many regions will lose European structural funds after 2006, which should also be considered in respect of applications for relocation in future?

The Prime Minister: Two separate things are happening. First, we are trying to slim down the numbers of people in Government Departments. A lot of pressure comes from both sides of the House to do so. The Department for Work and Pensions, for example, has already announced a reduction in jobs in the region of 30,000. In terms of a global figure, most people support the process, because it makes sure that we spend money more effectively. Secondly, a relocation out of

London to other parts of the United Kingdom is taking place. At the moment, I cannot say exactly where those jobs will go. Certainly, I will listen carefully to any representations that Members make, but ultimately, we are trying to balance the need for efficiency in the DWP and elsewhere with relocation out of London. Inevitably, jobs will be displaced from some areas as a result, but that may well be in the interests of the country as a whole.

Engagements

Q6. [207349] **Miss Anne Begg** (Aberdeen, South) (Lab): A recent NAO survey revealed that women in Aberdeen earn only two thirds of male earnings—the largest pay gap in the whole of Scotland. While I accept that the Government have done quite a lot to address the gender pay gap, not least with the introduction of the minimum wage, what else can they do to end this inequality? Will my right hon. Friend encourage others, such as employers, to take the issue seriously rather than just shrugging their shoulders?

The Prime Minister: My hon. Friend's point is entirely fair, which is why the Women and Work Commission is considering precisely how we bridge the pay gap that still exists, as she rightly says. It is important to point out that only as a result of measures such as the minimum wage, the introduction of tax credits, enhanced maternity leave and enhanced child benefit have we been able to raise the incomes of women. It is important to keep all those measures in place, but the Women and Work Commission will look at some of the more fundamental issues so we can make sure that the equal-pay promise made by a Labour Government back in the 1970s is translated into action.

Mr. Stephen Dorrell (Charnwood) (Con): We understand that the Prime Minister has said that the manifesto on which he intends to fight the next election will be unremittingly new Labour. What words would he use to describe the manifesto on which the Chancellor plans to fight the next election?

The Prime Minister: Precisely the same. It will be a manifesto that makes sure that we continue the huge economic record, that we continue the investment—*[Interruption.]* Oh yes—and in particular it will make sure that, unlike the Government of whom the right hon. Gentleman was a member, who put pensioners and children in poverty, we continue with policies that lift pensioners and children out of poverty and create a fairer and stronger country.

Q7. [207350] **David Winnick** (Walsall, North) (Lab): In view of the Government's excellent work in dealing with antisocial behaviour in recent years, would it not be wise to reconsider the possible implementation of 24-hour drinking by pubs and other licensed premises? Does the Prime Minister not agree that binge drinking is already a very serious problem? What sense is there in allowing pubs to be open day and night?

The Prime Minister: I will tell my hon. Friend exactly what I think about this. Obviously it is important for us to listen to representations made to us about it. There is a problem with so-called binge drinking, and there is a problem in many places such as city centres where there is fighting outside pubs on Friday and Saturday nights, and sometimes on Thursday and Sunday nights. It should be remembered that we are also introducing greater powers for the police to shut down premises where such things happen.

My view is very clear. I believe that the law-abiding majority who want to be able, after going to, say, the cinema or theatre, to have a drink at the time they choose should not be inconvenienced. We should not have to have restrictions that no other city in Europe has just to do something about the tiny minority who abuse alcohol—who go out and fight and cause disturbances.

My view is very, very clear. We should have the same flexibility as other countries have, and then we should come down really hard on those who abuse that freedom and do not show responsibility. But to take away that ability from all the population, even the vast majority who are law-abiding, is not in my view sensible.

Severe Weather

12.32 pm

Pete Wishart (North Tayside) (SNP) (*Urgent Question*): To ask the Secretary of State for Environment, Food and Rural Affairs—

Mr. Speaker: Order. Members are stepping in front of the hon. Gentleman who is addressing the House. That is a discourtesy to him and to the House.

Pete Wishart:— if she will make a statement on the severe weather conditions in Scotland, Northern Ireland and other parts of the United Kingdom. Thank you, Mr. Speaker.

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): Issues relating to severe weather incidents are devolved to the respective Administrations. However, severe storms have hit Northern Ireland and Scotland in the last 24 hours and caused widespread damage, although full assessments have not yet been made. Let me take this opportunity to express sympathy, on behalf of the whole House, to those who have been affected by the storms, particularly in relation to the tragic deaths that have occurred in the borders and Northern Ireland.

Tidal surge and high winds last night caused widespread coastal flooding in the west of Scotland. Considerable damage was reported in the Lochaber area, with flooding in Fort William and Caol. The River Lochy and the Ness remain above flood-warning levels. Tidal flooding at Fort William and Caol last night was the highest in 10 years, with 20 houses evacuated and cars flooded. We expect a surge on the east coast of England later today, but although we expect flood warnings to be issued it is unlikely to cause serious flooding.

I made a statement to the House yesterday on flooding in northern England, which covered many of these issues.

Pete Wishart: I am grateful to the Minister for that thoughtful and helpful reply. I am sure that he agrees with me that the storms that have battered large swathes of Scotland, Northern Ireland and northern England have been particularly devastating and appalling. They have caused unprecedented damage to infrastructure, and many homes throughout those stricken areas remain without electricity or other power. This, of course, is on top of the devastating floods to which the Minister alluded.

I begin by offering my sympathy and condolences to the families of the three people known to have been killed in last evening's storms, including in the fatal incident on the A90 in my constituency. I join the Minister in paying tribute to the tireless work of our emergency and rescue services, which have worked round the clock to ensure that power is reconnected to many stricken communities and damaged infrastructure cleared. It is entirely appropriate to single out the work of the coastguard and the RAF, which as I speak are trying to save a stricken Spanish trawler off the Western Isles.

The Minister will doubtless agree that the priority now is to get Scotland, Northern Ireland and northern England moving again. Can he therefore assure me that he is doing all that he can to work closely with the Scottish Executive and local authorities to ensure that the clear-up work is being properly controlled and co-ordinated? Can he also tell me a little about how the Bellwin formula applies in co-ordination with devolved government? As he knows, the Scottish Executive apply that formula, but can further funds be made available to them to help deal with this problem?

Does the Minister agree that the events of recent days highlight the particular nature of Scotland's infrastructure needs, and will he therefore review the excessive charges now being proposed for electricity generators in the highlands and islands and the north-east of Scotland?

The weather in the past few days has shown that we are becoming increasingly vulnerable to climate change. Can the Minister therefore assure me that this Government will work with the international community to address the emissions problem, and does he agree that it is ironic that the most stricken areas are perhaps those with the greatest renewables potential?

Lastly, can the Minister assure me that he will do all that he can to ensure that the public receive all necessary warnings about future inclement weather, and that public safety is regarded as absolutely paramount?

Mr. Morley: As the hon. Gentleman will know, many of the issues that he raises are the responsibility of the devolved Administration, and the Scottish agencies have been working very hard in this regard. I join him in paying tribute to the emergency services, which have responded magnificently. He will be aware that detailed weather forecasts allowed many public and private sector organisations to take steps to mitigate the storm damage by, for example, cancelling trains and ferries. I understand that flood warnings were given and that the relevant system was activated. He might also be interested to know that as part of that process, the long-range RAF Nimrod planes operating in Scotland moved to Lincolnshire, as the severe winds would have prevented their use. As a result, they are able to do an excellent job in giving support to the fishing boat currently in difficulties to the west of Scotland.

I certainly agree with what the hon. Gentleman says about climate change, which is a reality. The 10 years since the beginning of the 1990s have been the warmest on record, and in the past decade we have had double the normal number of extreme weather incidents. We have to take all necessary steps to reduce the risk to people, bearing in mind that we cannot guarantee that extreme incidents or floods will not occur.

My understanding is that the Scottish Executive have a formula similar to the Bellwin formula, which they themselves operate. They will put it in place, according to the rules of the scheme.

Mr. George Foulkes (Carrick, Cumnock and Doon Valley) (Lab/Co-op): I congratulate my hon. Friend on reacting so quickly by going to Carlisle immediately after the devastation occurred. I echo what my right hon. Friend the Member for Cunninghame, North (Mr. Wilson) said during Prime Minister's questions: we

[Mr. George Foulkes]

must pay tribute not just to all the emergency services, which reacted so quickly, but to the electricity and other industries that also responded rapidly.

There is a danger—we saw it with the tsunami disaster and we are seeing it here again—of imagining that we can deal with such forces of nature, solve every problem and hold back the consequences in Canute style. There is also a danger, and the hon. Member for North Tayside (Pete Wishart) came close to it, as do his party colleagues, of sitting in the comfort—

Mr. Speaker: Order. The right hon. Gentleman should resume his seat and the Minister will try to answer now.

Mr. Foulkes *rose—*

Mr. Speaker: Order.

Mr. Morley: My right hon. Friend is absolutely right. Quite apart from the emergency services, tremendous commitment has been demonstrated in all the flood and gale-hit areas by people from the engineering and other utilities who have worked around the clock unstintingly to reconnect supplies of power and, in Northumberland, water that had been disrupted. I must also mention the voluntary sector, as people from the local communities have come forward and offered their time and support to help the people affected.

I agree with what my right hon. Friend said about the effects of the flooding and I can assure him that, whenever there is such a major incident, once the emergency is over, there will always be a full evaluation of what went well and consideration given to what might require further investment, organisation or structure. I am confident that the Scottish Executive and Scottish agencies will do that. It is important to note that we share our experience; indeed, the findings of the Bye report, following the Northampton flood of 1998, have helped us to deal with the recent emergencies. Those circumstances were English, but the findings of the report influenced the emergency structures and preparedness in all the Administrations. Those contingency plans worked well, as we have seen effective and efficient responses to the current emergency.

Mrs. Jacqui Lait (Beckenham) (Con): On behalf of Conservative Members, I add our sympathy to the families of those who have died, and to those injured or otherwise affected by the floods and storms, which have caused the loss of houses and property. I also thank and congratulate everyone who has worked so hard to ensure that as much help as possible has been given. That includes the RAF team, and let us hope that the outcome of its search is positive.

This is probably the first disaster that has affected Scotland since the Scottish Executive were set up. Some of the responsibilities are theirs and some are reserved to Westminster, as the Minister acknowledged. People who have lost homes and belongings will need one-off benefit payments and emergency relief. Can the Minister tell us what Whitehall Departments are doing to ensure that those who need such assistance receive it quickly? Telecommunications and power are also the responsibility of Whitehall. Is the Minister co-ordinating Whitehall Departments to ensure that those services are restored as quickly and efficiently as possible? Apart from the companies that are working exceedingly hard to restore services, can those Departments do more to help?

Will the Minister tell us whether the Scotland Office has any responsibility in all of this and whether it has sufficient resources to help those in need? Given that the Scotland Office is now part of the Department for Constitutional Affairs, are there sufficient staff knowledgeable enough about Scotland to be able to deal with the problems created by the terrible flooding? Given that the part-time Secretary of State for Scotland is in his place next to the Minister, perhaps the Minister will tell us why he, rather than the part-time Secretary of State, is answering.

Mr. Morley. It is a great shame that the hon. Lady feels the need to make a partisan point about such a serious problem as these gales. I can tell her that the Department for Work and Pensions will offer crisis loans to help those made destitute as a result of the floods if they have no assets or resources. She will be aware that the Government have no facility to help with insurable risks, but limited support may be offered to people who are in severe difficulty.

Dealing with the follow-on of the gales is a matter for the devolved Administrations, all of whom have the well-established contingency arrangements that I have described. Those tried and tested arrangements also cover the post-flood recovery period. Many of the other points raised by the hon. Lady are matters for the devolved Administrations. This urgent question relates to the whole of the UK, and touches on matters for which I have particular responsibility, such as the Meteorological Office, contingency planning and climate change.

Mr. Tam Dalyell (Linlithgow) (Lab): May I pay tribute to the work done by the fire and water engineers, who are extremely courageous and, frankly, often very brave in these circumstances? However, the unpalatable and awkward truth is that many of the people affected are either underinsured or—heaven help us—not insured at all. Should not the Government hold discussions with the insurance companies about what might be done? Some families face appalling problems because, whether it is their fault or not, they have neglected to arrange insurance. We might think that they should have done that, but they have not.

Mr. Morley: My hon. Friend makes a serious point, and I join him in paying tribute to the utilities engineers. Apart from the commitment that I mentioned earlier, they often work in very difficult circumstances to reconnect services.

Clearly, the insurance problem is a serious one. It is important that people are aware of the need for insurance and that they make sure that their cover is satisfactory. In my experience of these large-scale events, the insurance companies often do their very best to assist people in dealing with problems connected with insurance shortfalls, and with reinstatement. In addition, they advise people about how to rebuild

properties in a way that will minimise the risk of flooding in the future and the damage that that might cause.

Sue Doughty (Guildford) (LD): I should also like to express my sympathies to the families and loved ones of those who died or suffered injury as a result of the severe weather. I and my Liberal Democrat colleagues are particularly aware of the difficulties faced by people who are without power and who are living in appalling conditions at present. We are very appreciative of the work being done by the members of the emergency, rescue and voluntary services, as well as by the power engineers.

In the small debate that followed yesterday's urgent question, many concerns were raised about climate change, and we must take a more immediate look at that problem. What assessment have the Government made of the capacity and robustness of the power and water utility companies to restore services as quickly as possible in what are becoming increasingly frequent occurrences? Given the events of the past 24 hours, following the Minister's announcement that the Bellwin scheme would be implemented, has he identified any further assistance that the communities involved may require? What review is he undertaking of the impact of building on floodplains? Not only are those buildings vulnerable themselves, but they cause water to be displaced and affect other properties. Will he be requesting the Office of the Deputy Prime Minister to change current planning regulations?

Mr. Morley: I agree that we must take into account the impact of climate change on infrastructure, such as overhead power cables, the whole national grid, and the water supply. The Government have a climate change programme to study that impact, and the hon. Lady should be aware of the work of the foresight programme, which tries to assess future flood risks as a result of climate change. The Government are committed to taking a precautionary approach to the potential impacts of climatic change, as it would be foolish to assume that those impacts would not be severe.

The hon. Lady asked about applications under the Bellwin formula. She will appreciate that the priority for local authorities is to deal with the immediate flood and gale damage. Local authorities have four weeks after such events to indicate that they intend to apply, so it is rather premature to talk about applications that have been made. However, authorities are well aware of the Bellwin formula rules. If they qualify, they will be assisted through the ODPM in the normal way.

The hon. Lady is right about building on floodplains; roads, hard areas and concrete can affect run-off, too. That must be taken into account in planning applications and guidance has been given to planning authorities, through planning policy guidance note 25, to make it clear that in some cases building may be inappropriate while in other cases where development is appropriate, the developer may have to make a contribution, not only to protect the new development but to mitigate against the possible consequences to existing development.

David Cairns (Greenock and Inverclyde) (Lab): I add my appreciation to that of the hon. Member for North Tayside (Pete Wishart) for the work of the coastguards, especially those of Her Majesty's coastguard agency, Clyde, based at Greenock in my constituency.

This is the first significant test for the new provisions under the Civil Contingencies Act 2004, although it may be too early to tell whether they have had an improved impact on the performance of the agencies. As the coastguard modernises, changes and takes on additional responsibilities, is not this a timely reminder that we must not lose sight of its core function, which is to save those whose lives may be in danger at sea? If it takes on other responsibilities, can we ensure that there is still specialised training for volunteers, who often put their own lives at risk to save those in peril on the sea?

Mr. Morley: My hon. Friend is right. The Maritime and Coastguard Agency played an extremely valuable role in the emergency. It is probably a bit too early to see the effects of the civil contingencies provisions, and I repeat the point that all local authorities, whether in England or in the devolved Administrations, have existing contingency plans and we have seen them put into action. I also repeat that, after a large-scale event of this kind, we would expect an evaluation and lessons learned, which will feed through to individual agencies, such as the coastguard, as well as to local authorities and other groups.

Mr. Gregory Campbell (East Londonderry) (DUP): I join the Minister in passing the condolences of the House and of my party to those who died in such extreme weather conditions. We commend all those involved in the emergency services.

My question relates to one of the fatalities in Northern Ireland. The Foyle bridge in Londonderry is normally closed when weather conditions less extreme than those predicted yesterday occur. Will the Minister liaise with the Northern Ireland Office to establish why the bridge was not closed yesterday?

Mr. Morley: The hon. Gentleman makes an important and serious point. As he will appreciate, I cannot give him an answer at the moment, but I assure him that I will contact the Northern Ireland Office to ensure that his point is addressed.

Mr. Alan Williams (Swansea, West) (Lab): Although the Minister gave reassuring information about the response of the insurance industry, will he hold discussions with insurers about the future terms and cover that they will offer people living in the affected areas?

Mr. Morley: Yes, I meet the Association of British Insurers, the trade body, regularly, as do my hon. Friends at the Treasury, who have the lead responsibility in dealing with insurance companies. We have a good relationship with the ABI; there is clearly a range of issues of interest, not least the provision of insurance cover, its availability and cost. We want a strong and robust market for insurance cover so that consumers have a range of choices and can thus choose the best price and the best cover for their circumstances.

Mr. Roy Beggs (East Antrim) (UUP): My colleagues and I congratulate the hon. Member for North Tayside (Pete Wishart) on his urgent question, and we welcome the responses that the Minister has given so far. On behalf of my colleagues, I express our condolences to the relatives of those who lost their lives in those extreme weather conditions and pay tribute to all the emergency services.

The Larne to Cairnryan ferry was grounded overnight. Thankfully, there were no injuries or loss of life, as far as I am aware, but it is disappointing that the Minister was not fully briefed about the situation in Northern Ireland—one would have thought that he would have been. Can he confirm that the 19 men on board the missing fishing vessel that had lost contact due to loss of power are safe and likely to be rescued?

Mr. Morley: I can certainly answer the hon. Gentleman's question about the fishing boat. I am glad to say that an RAF Nimrod, which has been operating from RAF Waddington—very close to my constituency—found the fishing vessel. The boat has lost power and although the crew are safe at the moment, the vessel is in danger and in difficulties. I understand that the Nimrod is on standby in the area and has asked for assistance from other vessels to tow the boat to safer waters.

Mr. Brian Wilson (Cunninghame, North) (Lab): Does my hon. Friend agree that although we cannot control the forces of nature, episodes such as this demonstrate why it is essential to have a Government who are committed to high levels of investment in the public infrastructure? I have two examples. Largs in my constituency has always been the victim of such flooding; in recent years, there has been a flood investment programme, funded by the Scottish Executive and—touch wood—it appears to have been effective last night. Secondly, I spoke to Scottish Power this morning. In 1998, there was a six-figure number of disconnections—more than 100,000. The number is 6,000 for the current year. Conditions are not identical, but there has been a massive programme of tree lopping, strengthening the infrastructure and raising the wires. All of that makes the difference, when the day comes, between power cuts and continuity of supply.

Mr. Morley: I can certainly confirm to my right hon. Friend that the Scottish Executive have given high priority to their financial commitment to flood defence and to taking the action on infrastructure that he outlined to try to minimise destruction and damage from extreme weather events of this type. In England and Wales, the flood defence budget has been increased from £300 million in 1997 to a projected £570 million for the next financial year. That is a significant commitment by the Government, who are working hard to reduce risk for people in all our countries.

Mr. Paul Tyler (North Cornwall) (LD): The Minister will be aware that this morning, by coincidence, the Environment Agency published its report on the devastating flood in Boscastle and surrounding north Cornwall villages. He has already indicated that it is extremely important to learn lessons from every episode, not least, as he has just said, in relation to insurance cover, risk assessment by the Environment Agency and planning. Can he go a step further than the Prime Minister was able to do earlier and indicate how important it is to see the direct linkage between incidents of severe weather impact on the United Kingdom and climate change? As the Government are in a leading position in the G8, what new initiative do they intend to take to raise the priority of dealing with climate change, especially in relation to our American partners and the United States President?

Mr. Morley: The Environment Agency report on Boscastle is significant and useful; it goes into the background to the Boscastle flood in considerable detail. The report is not only useful for the people of Boscastle; it concludes that the flood was one of the most extreme weather events ever recorded in this country, so in terms of risk, it gives some reassurance for the future. Furthermore, the findings of the report on the nature of the flood will be helpful in assessing risk for all communities living in steep-sided valleys, so it is also useful in that sense.

The hon. Gentleman will be aware that the Prime Minister has given an international lead on the priority for climate change. In the G8 presidency, which the hon. Gentleman mentioned, climate change and Africa will be key themes. As part of that, the UK is hosting a major international science conference at the Hadley centre in February, when there will be an opportunity to look at the science of climatic change and address important issues. For example, what is the risk in relation to global warming, and what are the long-term consequences? I agree that climate change is a global issue, and that it is essential that every nation plays its part, particularly industrial nations, including the one that is the biggest single polluter.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): I understand from Highland council this morning that 20,000 homes are without power in the area. Many of those homes are in my constituency, where there is no power from the south Sutherland border on the west coast across to Tongue on the north coast. Will the Minister join me in paying tribute to Highland council and to the valiant efforts by the utilities engineers to restore power as well as other services? What studies are being made of tidal action? I understand from a conversation this morning that we have the highest tides in living memory at Scrabster, and water is washing the bottom of my house in Thurso—I certainly do not remember that happening before. What studies are being made of tidal movement, as opposed to flooding?

Mr. Morley: Again, I appreciate the hon. Gentleman's comments about the utility companies and their staff, who are working hard to reconnect the power. He is quite right about tidal action and the risk of floods. Following the 1953 disaster, this country probably has one of the most sophisticated tidal surge prediction and warning systems in the North sea, which we share with Holland and France. It enables us to predict tidal movements with some accuracy, and we also have warning systems and contingency plans. As I mentioned in my opening remarks, a surge is predicted

in the North sea and on the west coast of Scotland. However, because of the nature of the tides at present, significant flooding is not expected.

Lembit Öpik (Montgomeryshire) (LD): Two significant rivers, the Clywedog and the Severn, originate in my constituency. Is the Minister aware of an experiment carried out over the past few years to drop the level of the reservoirs, thereby reducing flooding during periods of severe weather in the Severn valley and elsewhere? Would he look at that successful experiment, and consider rolling it out elsewhere? Does he accept that there is no doubt at all that much of the climate change that we are experiencing is a direct consequence of the polluting activities of human beings?

Mr. Morley: Yes, I am aware of work to lower the level of reservoirs in winter and possible storm periods so that there is capacity for a surge. Although that is useful, the hon. Gentleman will appreciate that in a large-scale storm and extreme weather a reservoir is quickly overwhelmed. Although that practice has some benefit, it will not stop widespread flooding. Nevertheless, that possibility is being looked at. As for climate change, it is a fact and a reality, and there is no doubt that it is caused by the activities of humans.

Points of Order

Mr. David Trimble (Upper Bann) (UUP): On a point of order, Mr. Speaker. In his response to the urgent question, the Minister for the Environment and Agri-environment made it clear that the issues involved related to England, Scotland and Northern Ireland. It was painfully clear, however—I am sure that it was not through any fault of his own—that he was not briefed to answer questions on Northern Ireland and could not comment on an incident that led to a fatality there. Can you ensure, Mr. Speaker, that in future the Minister's officials supply him with the necessary information?

Mr. Speaker: It is not often that I defend Ministers, but I must defend this Minister. It must be pointed out that it was just before 10.30 am that I received the urgent question from the hon. Member for North Tayside (Pete Wishart). Of course, it was my decision to make sure that a Minister came to the House. There was even a question of which Department would answer the urgent question, because it affected Scotland and, indeed, Northern Ireland. I thank the Minister for coming to the House. Members must realise that briefing depends on the length of time or warning that is given. I feel that the Minister did very well indeed.

Mr. Tam Dalyell (Linlithgow) (Lab): On a point of order, Mr. Speaker. Have you had any representations from the Secretary of State for Defence following discussions with the Americans in which opinion was voiced about the possibility, all too serious in Washington, of the use of assassination squads in Iraq, perhaps operating across frontiers?

Mr. Speaker: The answer to that is no.

BILLS PRESENTED

Criminal Law (Amendment) (Householder Protection)

Patrick Mercer, supported by David Davis, Mr. Frank Field, Mr. Roger Gale, Chris Grayling, Mr. Dominic Grieve, Mr. Mike Hancock, Lady Hermon, Mr. Humfrey Malins, Mr. Mark Prisk, Mr. Hugo Swire and Dr. Richard Taylor, presented a Bill to amend section 3 of the Criminal Law Act 1967 in relation to the use of force in the prevention of crime or in the defence of persons or property: And the same was read the First time; and ordered to be read a Second time on Friday 4 February, and to be printed [Bill 20].

Drugs (Sentencing and Commission of Inquiry)

Mr. Nigel Evans, supported by Mr. Nigel Jones, Jane Griffiths, Mr. Cheryl Gillan, Kate Hoey, Mrs. Angela Browning, Dr. Julian Lewis, Bob Spink, Mr. Robert Syms, Mr. David Amess, Mr. Andrew Rosindell and Mr. Julian Brazier presented a Bill to make provision about sentencing for persons guilty of an offence in connection with the supply or an offer to supply Class A drugs; and to establish a commission of inquiry into the effects and classification of cannabis: And the same was read the First time; and ordered to be read a Second time on Friday 25 February, and to be printed [Bill 21].

HEALTH AND SAFETY (DIRECTORS' DUTIES)

Mr. Stephen Hepburn, supported by Vera Baird, Tony Baldry, Mr. Nicholas Brown, Mr. Michael Clapham, Mr. Tony Clarke, Ross Cranston, Mr. Frank Dobson, Mrs. Joan Humble, Helen Jackson, Mr. Michael Meacher and Dr. Jenny Tonge, presented aBill to impose duties upon company directors in relation to health and safety; to give powers to the Health and Safety Commission to issue and approve codes of practice in connection with the performance of those duties; to require large companies to appoint a director as health and safety information director; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 4 March, and to be printed [Bill 22].

SMOKING IN PUBLIC PLACES (WALES)

Julie Morgan, supported by Mr. Kevin Barron, Paul Flynn, Dr. Ian Gibson, Mr. Win Griffiths, Mr. David Hinchliffe, Dr. Doug Naysmith, David Taylor, Mrs. Betty Williams, Hywel Williams, Mr. Roger Williams and Sir George Young, presented a Bill to enable the National Assembly for Wales to prohibit or restrict the smoking of tobacco products by any person in a public place in Wales; to enable functions to be transferred to the National Assembly for Wales in that connection; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 18 March, and to be printed [Bill 23].

STAMP DUTY (LOWER RATE FOR ENERGY EFFICIENCY MEASURES)

Mr. Kevin Barron, supported by Mr. Peter Ainsworth, Mr. Richard Allan, Mr. David Amess, Mr. John Battle, Mr. A. J. Beith, Sir Sidney Chapman, Mr. David Chaytor, Mr. David Drew, Mr. Neil Gerrard, Mr. Martin O'Neill and Brian White, presented a Bill to make provision for a lower rate of stamp duty land tax to be charged on residential properties where energy efficiency measures are undertaken by or on behalf of the purchaser: And the same was read the First time; and ordered to be read a Second time on Friday 8 April, and to be printed [Bill 24].

MOBILE TELEPHONES (RE-PROGRAMMING)

Mr. Kevan Jones, supported by Ms Dari Taylor, Mark Tami, Mr. Liam Byrne, Iain Wright, Jon Cruddas, Helen Jones, Ann McKechin, Mr. George Howarth, Mrs. Joan Humble, Mr. Stephen Pound and Mr. Frank Roy, presented a Bill to amend the Mobile Telephones (Re-programming) Act 2002: And the same was read the First time; and ordered to be read a Second time on Friday 15 April, and to be printed [Bill 25].

SEXUAL OFFENCES ACT 2003 (AMENDMENT)

Sir Paul Beresford, supported by Vera Baird, Mr. Dominic Grieve, Mr. Humfrey Malins, Mr. John Randall, John Cryer and Mr. Neil Gerrard presented a Bill to amend the Sexual Offences Act 2003 to give the police powers to enter specified premises in order to ascertain whether a person subject to the notification requirements of Part 2 of that Act is residing at or staying on those premises and to search those premises for information relevant to section 67 of the Criminal Justice and Court Services Act 2000, and to create offences in connection with the exercise of those powers: And the same was read the First time; and ordered to be read a Second time on Friday 4 March, and to be printed [Bill 26].

RENEWABLE HEAT

Mr. Michael Weir, supported by Hywel Williams, Annabelle Ewing, Pete Wishart, Mr. Andrew Stunell, Norman Baker, Paddy Tipping, Mr. David Chaytor, Brian White, Mr. Peter Ainsworth and Mr. Simon Thomas, presented a Bill to make provision to increase the proportion of heating fuel derived from renewable sources; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 4 February, and to be printed [Bill 27].

EMPLOYMENT TRIBUNALS (REPRESENTATION AND ASSISTANCE IN DISCRIMINATION PROCEEDINGS)

Mr. Marsha Singh, supported by Peter Bottomley, Mr. Michael Clapham, Mrs. Ann Cryer, Mr. John Grogan, Mr. Fabian Hamilton, Mr. Mike Hancock, Mr. Eric Illsley, Mrs. Alice Mahon, Mr. Terry Rooney, Brian White and Mrs. Betty Williams, presented a Bill to make provision about representation of and assistance to complainants in discrimination proceedings before employment tribunals and the Employment Appeal Tribunal; to establish and confer functions upon the Tribunal Representation and Assistance Board; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 18 March, and to be printed [Bill 28].

TRESPASSERS ON LAND (LIABILITY FOR DAMAGE AND EVICTION)

Mr. Gerald Howarth, supported by Mr. Philip Hammond, Dr. Julian Lewis, Mr. Mark Todd, Mr. Crispin Blunt, Mr. Nick Hawkins, Mr. Graham Allen, Mr. Humfrey Malins, Mr. James Arbuthnot and Sir George Young, presented a Bill to make a person liable for damage caused to land, or property on that land, on which he is trespassing with the purpose of residing there; to amend the Criminal Justice and Public Order Act 1994 in respect of the removal of trespassers from land, the seizure of property of trespassers and payments to occupiers of land in respect of damages arising from trespass; to establish a register of persons whose identity has been given to a constable after the giving of a direction under Part 5 of the Criminal Justice and Public Order Act 1994; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 8 April, and to be printed [Bill 29].

TELECOMMUNICATIONS MASTS (PLANNING CONTROL)

Mr. Andrew Stunell, supported by Mr. Richard Spring, Mr. Derek Wyatt, Mr. Phil Willis, Mr. Gary Streeter, Brian White, Mrs. Annette L. Brooke, Mr. John Bercow, Mr. Paul Truswell, Mrs. Patsy Calton, Mr. Mark Oaten and Mr. Paul Burstow, presented a Bill to amend the law relating to planning in connection with telecommunications masts and associated apparatus; to amend the electronic communications code in connection with telecommunications masts and associated apparatus and make further provision about that code; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 18 March, and to be printed [Bill 30].

ARMED FORCES (PARLIAMENTARY APPROVAL FOR PARTICIPATION IN ARMED CONFLICT)

Mr. Neil Gerrard, supported by Tony Wright, Mr. William Hague, Sir Menzies Campbell, Mr. Alex Salmond, Mr. Simon Thomas, Andrew Bennett, Mr. Gordon Prentice, Mr. Douglas Hogg, Mr. Richard Allan, Mr. Kelvin Hopkins and Brian White, presented a Bill to require parliamentary approval for the participation of Her Majesty's armed forces in armed conflict and for a declaration of war; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 4 March, and to be printed [Bill 31].

HUMAN TISSUE ACT 2004 (AMENDMENT)

Mr. Stephen Pound, supported by Dr. Evan Harris, David Cairns, Mrs. Gwyneth Dunwoody, Mr. Kelvin Hopkins, Mrs. Patsy Calton, Mr. Tam Dalyell, Chris Bryant, Lembit Öpik, Jane Griffiths, Siobhain McDonagh and Mr. Andrew Dismore, presented a Bill to amend the Human Tissue Act 2004 in relation to the removal of organs for the purpose of transplantation from adults who have died: And the same was read the First time; and ordered to be read a Second time on Friday 22 April, and to be printed [Bill 32].

COUNCIL TAX BENEFIT (ENTITLEMENT INFORMATION)

Tony Baldry, supported by Hugh Bayley, Dr. Hywel Francis, Mr. John Burnett, Dr. Evan Harris, Mr. Robert Jackson and Mr. John Bercow, presented a Bill to require billing authorities and local authorities to contact pensioners who may be entitled to council tax benefit: And the same was read the First time; and ordered to be read a Second time on Friday 4 February, and to be printed [Bill 33].

HUMBER BRIDGE

Mr. Ian Cawsey, supported by Shona McIsaac, Mr. Austin Mitchell, Mr. Greg Knight, David Davis, Mr. Kevin McNamara, Mr. James Cran, Mr. Edward Leigh, Mr. John Grogan, Mr. Kevin Hughes, Mr. Phil Willis and Kevin Brennan, presented a Bill to amend the Humber Bridge Acts 1959 to 1973; to require the Secretary of State to review the exercise of his power under the Humber Bridge (Debts) Act 1996; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 15 April, and to be printed [Bill 34].

LOCAL SERVICES AND FACILITIES

Mr. Roger Williams, supported by Andrew George, Sue Doughty, Mr. Simon Thomas, Mr. David Drew, Mr. Don Foster, Alan Simpson, Dr. Ian Gibson, Mr. Huw Edwards, Jim Dowd, Mr. David Chaytor and Matthew Green, presented a Bill to require public authorities to undertake a social and environmental impact assessment and to consult persons or bodies affected before closing premises that provide services or ceasing to provide services from particular premises; to amend the Town and Country Planning Act 1990 in relation to material changes in use affecting services to or amenities for the public; to confer powers on local authorities in connection with the proposed closure of leisure and sports facilities; to make provision about local food strategies; to make provision in connection with the delivery of beer to public houses from local breweries; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 25 February, and to be printed [Bill 35].

SUCCESSION TO THE CROWN (NO. 2)

Ann Taylor, supported by Joyce Quin, Paddy Tipping, Sandra Osborne, Mr. Mike Hall, Mr. Gwyn Prosser, Ms Candy Atherton, Tony Wright, Mr. Khalid Mahmood, Mrs. Betty Williams, Kali Mountford and Judy Mallaber, presented a Bill to make provision about succession to the Crown and about Royal marriages: And the same was read the First time; and ordered to be read a Second time on Friday 4 March, and to be printed [Bill 36].

SCHOOL MEALS AND NUTRITION

Geraint Davies, supported by Ms Debra Shipley, Ms Karen Buck, Ms Julia Drown, Dr. Howard Stoate, Harry Cohen, Ms Oona King, Siobhain McDonagh, Mrs. Janet Dean, John Austin and Julie Morgan, presented a Bill to make further provision about nutritional standards, and other nutritional requirements, for school meals; to regulate food vending machines in schools; to provide for restrictions on the whereabouts of pupils during school hours for the purpose of controlling the supply of food to them; to require the inclusion of information about nutritional standards of food in schools in reports of school inspections; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 25 February, and to be printed [Bill 37].

ESTATE AGENTS (INDEPENDENT REDRESS SCHEME)

Mr. Alan Williams, supported by Mr. Clive Betts, Andrew Bennett, Mr. Adrian Sanders, Mr. Kevin McNamara, Mr. David Clelland, John Barrett, Mr. Jon Owen Jones, and Claire Ward, presented a Bill to amend the Estate Agents Act 1979 to make provision for independent consumer redress in connection with the sale and purchase of residential property: And the same was read the First time; and ordered to be read a Second time on Friday 4 March, and to be printed [Bill 38].

RIGHT OF REPLY AND PRESS STANDARDS

Peter Bradley, supported by Mr. Clive Soley, Ann Clwyd, Tony Wright, Angela Eagle, Tony Worthington, Sir Sydney Chapman, Mr. Paul Tyler, Mr. Robert Walter, Martin Linton, Dr. Alan Whitehead and Mr. Siôn Simon, presented a Bill to give persons a right of reply to correct factual inaccuracies in the press in specified circumstances; to establish and confer functions upon the Press Standards Board and the Press Standards Adjudicator; to create an offence in connection with non-compliance with an enforcement notice served by the Press Standards Board; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 25 February, and to be printed [Bill 39].

Mr. John Bercow (Buckingham) (Con): On a point of order, Mr. Speaker. I seek your guidance on a matter of grave international significance. Right hon. and hon. Members will be aware, as you will be, of the prevalence of press reports that show that the African Union force is failing to prevent the mass murder of civilians in Darfur. In light of that fact and of the spread of violence

[Mr. John Bercow]

into the camps for internally displaced persons, is it not important that a statement should be made to the House at the earliest opportunity as to whether the Government intend to press for action on the part of the international community to bring the appalling regime in Sudan to heel, in the name of protecting people whose lives are being lost on a daily basis and upon an horrific scale?

Mr. Speaker: I am deeply saddened to hear this news from the hon. Gentleman. I have no powers on this matter, but Ministers will read *Hansard* and see what he has said.

Orders of the Day

Child Benefit Bill

Order for Second Reading read.

1.12 pm

The Paymaster General (Dawn Primarolo): I beg to move, That the Bill be now read a Second time.

The Bill is a short and straightforward measure consisting of seven clauses. None the less, it is a significant milestone in the Government's commitment to removing the financial barriers to young people staying in education or training after the age of 16, helping them to gain the skills and qualifications that they need to succeed in the modern global economy.

I would like to start by thanking the many organisations that have contributed to our consultation on the Government's review of financial support for 16 to 19-year-olds. Their views and evidence have been invaluable in informing the development of our proposals, including this Bill, which is an important first step. We have also been keen to involve young people and parents directly in the policy making that affects them.

Last September, I took part in a consultation event with young people organised by the National Council for Voluntary Youth Services. I was very impressed by the dedication and insightful comments of the young people whom I met. Their ideas and suggestions are now shaping the future of financial support for 16 to 19-year-olds. Indeed, Centrepoint arranged for me to have a very long meeting with a number of young people, who again demonstrated at every point their sensitivities, understanding and determination to have access to education and training to better their opportunities in adult life.

In short, the Bill will enable the Government to lay regulations extending child benefit to new groups of learners aged 16 and over. The House may find it helpful if I explain briefly the background of the steps leading up to the Bill so that hon. Members are able to understand its purpose in the context of the Government's skills agenda and our overriding commitment to build a strong economy and a fair society in which there are opportunities for all.

The Government's stable macro-economic framework has already contributed to lower levels of unemployment and record levels of employment. However, we know that to continue to thrive in the modern global economy and to deliver social justice to all—becoming both a fairer and more prosperous society—we need to improve the skills and fulfil the potential of all our young people and adults. Skills help our businesses and public services to achieve greater efficiency, innovation and excellence and they help individuals to gain employment opportunities and achieve their ambitions for themselves, their families and their communities.

We all know that skills matter, but we also know that the United Kingdom educational system has unfortunately suffered from historical underachievement. Although we perform strongly in higher education and have a large number of highly skilled workers compared with other countries, the historic failure to invest in

training and education until recently has led to major shortfalls in terms of the intermediate skills that we need to secure sustainable employment and opportunities for all. As a result, far too many young people and adults are prevented by their lack of skills from getting secure, well-paid jobs and all the social and personal benefits that go with them.

About 7.8 million working-age people in the United Kingdom do not have the level 2 qualifications—the equivalent of five GCSE A to C grades—that are needed as a foundation for many careers. This failure is particularly apparent when we compare ourselves with our key competitors. Some 33 per cent. of the United Kingdom work force have low skills compared with 19 per cent. in Germany and 15 per cent. in the United States. In fact, we have the highest proportion of unskilled workers in any major European Union country.

In the Chancellor of the Exchequer's pre-Budget report statement, he set out the steps that the Government are taking to close Britain's skills gap. Part of this strategy involves ensuring that every adult who has missed out at school will have the funds and the opportunity through time off work, free training and help from employers to acquire skills, starting with a first level 2 qualification. Our commitment to deliver that was underlined by the announcements to roll out the national employer training programme and a pilot of a new learning allowance for benefit claimants, building on the success of the new deal for skills launched in the Budget of 2004.

The Government know, however, that these measures are not enough on their own. In order to secure greater productivity, flexibility and fairness in the United Kingdom economy in the long term, we know that we must ensure that, in future, all young people reach adulthood equipped with the skills that they need to succeed in the economy. Too many adults fail to reach their potential when young. Despite significant increases in the number of young people participating in education and training after the age of 16, a quarter of 15 to 19-year-olds are still not in formal education.

The United Kingdom compares unfavourably in this regard internationally. We currently lie 25th out of the 30 Organisation for Economic Co-operation and Development countries for participation in education at the age of 17. This situation did not occur overnight—it is the result of years and decades of failure to invest in education—and it cannot be put right overnight. However, the Government are committed to increasing the flow of skills into the labour market by ensuring that all young people can reach the age of 19 ready for skilled employment or higher education. Our long-term ambition is that by 2015, United Kingdom staying-on rates after 16 will move from one of the lowest in the OECD to one of the highest. Since 1997, we have been putting in place the effective strategy to achieve this ambition, taking an holistic approach that brings together three different areas of policy with the aim of setting clear expectations for all young people that they should continue in learning beyond 16—whether in school, college or the workplace.

First, we are reforming the curriculum structure for young people in England to provide more coherence, choice and flexibility, including by raising the quality and profile of the vocational route. Much has already been done to improve the quality and quantity of training places. With the expansion and reform of the apprenticeship programme, we are now able to offer a ladder of opportunity from basic to advanced skill levels.

A record number of young people are currently engaged in Government-supported training, with more than 250,000 in England alone gaining skills, experience and qualifications in thousands of businesses. The Government have welcomed the proposals of the working group on 14 to 19 reform, which was led by Mike Tomlinson and recommended the development of a single curriculum structure with the aim of giving academic and vocational qualifications greater parity. We will shortly set out our detailed response to those proposals in the form of a White Paper.

Our second strand of policy is designed to underpin those curriculum reforms by strengthening the advice, guidance and support offered to young people to ensure that they are able to make informed choices about the range of learning options and opportunities that are now available to them: Connexions partnerships and the devolved careers services are playing a vital role in that area and reducing the number of young people outside work, training and education. I pay tribute to the Under-Secretary of State for Education and Skills, my hon. Friend the Member for Bury, South (Mr. Lewis), for working tirelessly in his Department to bring those benefits to our young people.

Mr. John Bercow (Buckingham) (Con): Much of what the Paymaster General has said has been unexceptionable and I acknowledge that there is a good deal to be said for the Bill. However, she used the term "missed out" in relation to people who did not get what they should have had, or had hoped to receive, at school, and for whom provision must be made thereafter. I am not making a partisan point, because this a matter of great national concern, but does she know why the proportion of companies in recent business surveys saying that the three R's are not good enough and that we must provide remedial training is going up, not down?

Dawn Primarolo: The hon. Gentleman follows such subjects closely, so he will know that we must also have a strategy on literacy, numeracy and developing skills in our primary schools, as we do. By putting the Bill in such a context, I was trying to demonstrate to the House that we are addressing the problem by raising standards and developing basic skills in primary schools and through curriculum change in secondary schools. The Bill and other proposals are designed to remove financial barriers and distortions that force young people to take options that are perhaps not right for them, but are the only ones available—some have no options at all. Our measures go all the way through to the announcement in the pre-Budget report of an adult skills agenda. I agree with the hon. Gentleman that there is not a single answer. The most important thing that we must engender is the value of education and the opportunities that that can give to young people, so early years provision, primary and secondary schools, training opportunities and higher and further education must all reinforce that.

Tony Baldry (Banbury) (Con): The Paymaster General said that there must be informed choices, and I am genuinely asking for information. Who is responsible for ensuring that youngsters have the information that enables them to make choices? Will there be an opportunity for each pupil to have an interview with Connexions or other people at a specific stage of their school career? There is an understandable tendency for schools to try to persuade everyone to stay on as long as possible because of capitation rates and weighting, so we would benefit from knowing who will ensure that an informed choice is made.

Dawn Primarolo: The hon. Gentleman is right to pinpoint the fact that informed choice is necessary as one of the pressure points. Connexions plays a crucial role, but that must be enhanced and developed. I know that my hon. Friend the Under-Secretary is working on that, and the youth Green Paper will need to build on it. The hon. Gentleman rightly points out not only that opportunities must be available, but that young people must know that they are available and be able to decide which are most appropriate so that they can build on their potential.

Judy Mallaber (Amber Valley) (Lab): Following on from the discussion initiated by the hon. Member for Buckingham (Mr. Bercow), I can add that Amber Valley has an incredibly positive programme running from early years through to a 16-to-19 programme for those who are not in education, employment, or training at that age. We also have a sports development programme, to re-engage children from an early age right through. How restrictive will the criteria for who will qualify for the different types of training and the courses be? I want to ensure that the 16-to-19 programme, which might not necessarily lead to a formal qualification, but is very successful, will fall within the parameters of the Bill.

Dawn Primarolo: The main criterion must be entry to employment. The hon. Member for Buckingham (Mr. Bercow) talked about doing the basics, and I told him about the primary school programme. Of course, any child who has benefited from the primary school reforms that the Government have already undertaken has not yet left school. We are intervening in the system at every level, especially to address the quality of action.

Judy Mallaber *rose—*

Dawn Primarolo: Will my hon. Friend allow me to make a little progress because I shall talk about access to training later in my speech? If I do not address her point then, I shall be more than happy to give way again.

Jonathan Shaw (Chatham and Aylesford) (Lab): I would like to follow up the point made by the hon. Member for Banbury (Tony Baldry). The learning and skills council, the Connexions service and the local education authority in my area have organised the offer of post-16 education and training as part of the strategic area review. Does my right hon. Friend agree that it is vital that information about that, and the benefits available to all young people, is disseminated? Similar areas have different rates of success, so will she and the Department for Education and Skills examine best practice in increasing in the use of post-16 provision? This is a matter of national importance, so we must keep a microscope on what is happening locally.

Dawn Primarolo: I agree with my hon. Friend, who is a distinguished member of the Education and Skills Committee. The review of financial support for 16 to 19-year-olds that was jointly organised by the Department for Education and Skills, the Department for Work and Pensions and the Treasury examined the quality of advice and support available to young people. Young people whom I met, and those who contributed to the review but whom I was unable to meet, said that that was a high priority, because many had found out that they could have received advice, support or guidance only when it was too late.

The third and final element of our strategy is removing the financial barriers to young people staying in education and training after 16. The Chancellor announced in the 2003 Budget that the Government would review financial support for 16 to 19-year-olds with the aim of delivering an accessible system of support, and incentives to reduce the appeal of a job at the age of 16 compared with that of the route of learning, which pays far more in the long run.

The review sought to build on the success of the education maintenance allowance pilots, which have already demonstrated how important financial incentives are to encourage young people to stay in learning. The evaluations of the pilots found that the education maintenance allowance was projected to have the biggest impact on post-16 participation levels since the introduction of GCSEs in 1987.

Ms Sally Keeble (Northampton, North) (Lab): Will my right hon. Friend give way?

Dawn Primarolo: I will give way once more, and then I must make progress. I tried the patience of the House too long in a previous debate by giving way more than I should have done.

Ms Keeble: Is my right hon. Friend aware of the skills shortage in areas such as mine, and the importance of measures to ensure that young people stay on at school and are encouraged to undertake the type of training that will provide the skills necessary to meet that shortage in Northampton? That will relieve the heartache experienced particularly by lone parents who have difficulty in supporting their children.

Dawn Primarolo: I agree with my hon. Friend. My hon. Friend the Economic Secretary will visit her constituency and others in the area early next month and will have detailed discussions on a number of issues, in particular the role of employers in connection with access to quality training and the removal of barriers facing young people, whatever their background. That is crucial.

The Government's decision to roll out the education maintenance allowance nationally from September 2004 is increasing Government funding for 16-to-19 education by 10 per cent., and demonstrates our commitment to realising the potential of all our young people. The EMA is paid direct to the young person who has decided to stay on at school or college, on top of the financial support already available to their parents or carers through child benefit and child tax credit. It is a bold initiative that only pays something for something, making young people aware of their responsibility in committing themselves to learning and development.

The review of financial support for 16 to 19-year-olds sought ways in which these principles could be extended to other young people, including those continuing their learning after 16 outside school or college. We published the resulting report, "Supporting young people to achieve", alongside the Budget last year. The evidence collected during the review clearly indicated that the complexity and anomalies in the current system of financial support create major barriers to learning for many young people, especially—unfortunately—the most vulnerable. To remove those obstacles, the review proposed a long-term vision of a radically simplified model of financial support designed to support young people's post-16 choices and transitions, ensuring decent minimum income levels and improved accessibility.

The vision builds on the successful model of support already in place for the two thirds of 16 to 18-year-olds who stay on in full-time education and live at home. As I explained earlier, that involves a combination of financial support paid to the parents or carers in the form of child benefit and child tax credit, and a financial incentive paid directly to the young person in the form of the education maintenance allowance. Our intention is to extend this model of support and incentives to more marginalised groups of young people in order to encourage them to participate in learning. Our extensive consultation with young people, parents, voluntary sector organisations, businesses and learning providers indicated that there is strong support for this approach.

Jonathan Shaw: Will my right hon. Friend give way?

Dawn Primarolo: If my hon. Friend will forgive me, I shall make a little more progress before giving way to him again.

In "Supporting young people to achieve" we set out a package of short-term measures to improve the delivery of benefits to young people, together with some interim steps towards our long-term vision of a single coherent system of financial support for 16 to 19-year-olds. At the centre of those are two proposals to extend child benefit, child tax credit and education maintenance allowance to unwaged trainees, and to extend financial support until young people finish their course, rather than stopping it on their 19th birthday. The Bill is an essential step in implementing those proposals.

The current disparity in the financial support available for full-time education and unwaged training is one of the worst distortions identified by the review. A young person aged 16 to 18 is eligible for child benefit and child tax credit if they stay in full-time education at school or college, but not if they enter one of the unwaged work-based training programmes arranged by the Government to help trainees progress to paid apprenticeships. This differential treatment can distort choices for young people, particularly for the most vulnerable.

Together, child benefit and child tax credit constitute an important stream of income for a young person's family, and the loss of that money may mean that some low-income parents are no longer able to support their child in education. I am sure many hon. Members have received, as I have, letters from constituents who are desperate to keep their son or daughter in training on a course, but who cannot do so because the child benefit and child tax credit have stopped. The young person may have only six months left to complete their NVQ level 2, but everything is destroyed or lost because of the financial pressure on the family. That cannot be right. The Bill provides for arrangements to be put in place to prevent that from happening.

Judy Mallaber: With which institutions, organisations, employers and so on would a trainee placement be eligible for such support? If I give my right hon. Friend the details, will she examine my local sports development programme, which enables some of the participants to access further training—for example, to become sports coaches?

Dawn Primarolo: The schemes eligible will be the formally sponsored Government projects and schemes. I do not recollect whether the one that my hon. Friend mentions is among them, but I am more than happy for her to send me the details and I will certainly consider them.

Mr. David Laws (Yeovil) (LD): How many of the 80,000 young people who are unwaged trainees will be covered by the welcome new rules extending child benefit and child tax credit?

Dawn Primarolo: I do not have the figure to hand, but I will ensure that it is made available to the hon. Gentleman.

The longer-term vision is for a coherent system of financial support. Other Government measures will need to reflect that. For example, much work is being done to determine whether volunteering as a way of acquiring a skill could be included in the scheme in the long run, although that is not covered by the Bill. As far as I am aware, all 80,000 unwaged trainees mentioned by the hon. Gentleman would be eligible for the scheme. There is no question of some being in and some being out.

Mr. Bercow: Will the right hon. Lady give way?

Dawn Primarolo: Yes, but this really will be the last time. Many hon. Members want to speak, and I do not think that I have been strict enough.

Mr. Bercow: I am grateful; the Paymaster General's generosity is exemplary. The Bill is short, but I hope that

[Mr. Bercow]

she will understand when I say that my brow furrowed when she referred to the regulations that are to come. Will they be subject to the negative procedure of the House, or to its affirmative counterpart?

Dawn Primarolo: The hon. Gentleman may not have had an opportunity to obtain a copy of the draft regulations that were made available at the beginning of the week to assist hon. Members in the debate, and which I am sure will answer many questions that he might have. The regulations will be subject to the negative procedure, as with all other regulations in this category.

Mr. Bercow: I had better go and get a copy.

Dawn Primarolo: That would be an extremely good idea. Perhaps the hon. Gentleman should read the regulations before he makes any further comments.

The Government believe that young people should be able to choose the learning route most appropriate for them, rather than basing their decision on the amount of financial support available. The Child Benefit Bill is therefore important, because it is the first step in removing the distinction between education and unwaged training with regard to child benefit and tax benefits. Corresponding amendments will also be made to income support and other benefits to ensure that unwaged trainees who cannot live in the family home also benefit from the new arrangements. Those changes will strengthen young people's choices between the academic and vocational learning routes, and are very much in line with the proposals of the working group on 14-to-19 curriculum reform. They will bring about additional investment in financial support for unwaged trainees of around £100 million a year, delivering more money for tens of thousands of young learners, especially those from low-income families and those who are unable to live in the family home.

The Bill will also enable us to remove another damaging anomaly in the financial support system identified by the review—the cut-off at the age of 19, to which I have already referred. Child benefit rules are based on the assumption that post-16 participation comprises two years of A-level study at school or college, completed before the young person's 19th birthday. But this model of post-16 education does not match the pathways and experiences of many young people continuing in learning today. Each year thousands of young people reach the age of 19 while still studying for non-advanced qualifications. Most of these young people will be in this situation because their education has been disrupted for some reason, including vulnerable groups such as care leavers, young offenders and those who are homeless and have been estranged from their family.

Under the current rules, child benefit and tax credits cease on the young person's 19th birthday, irrespective of whether they are still studying. Young people from low-income households may be forced to leave their course before achieving their qualification, and that cannot be right. The situation is even worse for young people who cannot live in the family home, as their entitlement to income support may cease and they must instead claim jobseeker's allowance, which by requiring them to be available for work stops them from studying full-time. The loss of income support also triggers the loss of housing benefit, often making it impossible for them to continue on their course without losing their home or running up rent arrears.

The personal testimonies that we received during the review revealed the distress and frustration caused by these rules. The young people affected had overcome previous obstacles to engage in education, but then at 19 faced severe hardship and debt if they wanted to complete their course. There was a real sense among the respondents that although they were seeking extended support in the short term, in the long term they would contribute much more to society if they completed their studies.

It is a wasted investment both for the Government and for the young people if they drop out before achieving their qualifications. This is why we propose to reform the rules for child benefit, child tax credit and income support, so that young people who reach 19 while still studying for non-advanced qualifications are supported until they complete their course. The Government are committed to ensuring that all young people are supported to achieve their potential.

Mr. Andrew Tyrie (Chichester) (Con): Will the Paymaster General give way on that point?

Dawn Primarolo: I said that I would not give way again. I have now been speaking for a long time, and the hon. Gentleman is about to make his own speech. I am sure that he will be able to make his point then, and my hon. Friend the Economic Secretary will be able to reply. Forgive me, but I have tried the patience of the House too much again.

Having set out the context and background to the Bill, I want to explain briefly its provisions and how these will be used to achieve the reforms. The Bill will restructure the existing definition of a "child" in child benefit by introducing a new concept of a "qualifying young person". A child will be defined as a person who has not reached the age of 16, which I can reassure hon. Members means that the Bill will have no impact on the payment of child benefit for under-16s. The Bill enables the Government to lay regulations prescribing the circumstances in which someone aged 16 and over is defined as a qualifying young person. That replicates the approach already used in the legislation for the child tax credit, ensuring greater consistency in the criteria for the two streams of support.

As I announced in my written statement to the House, we published draft regulations on 10 January to demonstrate how we intend to use the powers provided by the Bill. In addition to the existing entitlement for 16 to 18-year-olds in full-time education, the regulations show how we propose to extend support to unwaged trainees on specific training programmes arranged by the Government. The regulations also confirm that we will extend support to 19-year-olds until they complete their course, up to an age limit of 20. We intend to implement both the reforms in April 2006, along with the corresponding changes to the child tax credit and income support, which will be made via separate amending regulations.

The April 2006 launch date will represent a major milestone on the way to our long-term vision of a radically simplified system of financial support for young people in learning. It is worth pointing out that one of the benefits of using regulations to define eligibility for child benefit for 16 to 19-year-olds is that it provides us with greater flexibility to respond readily to the long-term curriculum changes and policy developments. This change has been too long in the making. Regulations enable us to respond more speedily. We must ensure that the financial support system reflects the diverse range of learning opportunities available to young people today and in the future.

We know there are innumerable barriers to education and training for all those over 16 years of age. Financial support should not be one of them. The Bill starts the process of ensuring that it is not, and I commend it to the House.

1.48 pm

Mr. Andrew Tyrie (Chichester) (Con): I have a couple of quick points to make at the start. First, the Opposition will not oppose the Bill this evening. Secondly, I just want to say how grateful I am for the responses that I have received from a number of organisations to my request for their views on the Bill, in particular, Barnardo's, Connexions, the Foyer Federation and the Prince's Trust. Some of what I will say today reflects points that they have made to me, and no doubt my hon. Friend the Member for Rayleigh (Mr. Francois) will raise others in Committee. The hon. Member for Amber Valley (Judy Mallaber), who is just leaving the Chamber, also raised some of the points that they have made. I did not mean to embarrass her; I meant to compliment her. The eligibility rules point to which she referred features in several of the representations that I have received.

I intend to make three general points. First, with only seven clauses and a couple of schedules, this is a small and relatively straightforward Bill, even taking into account the regulations and changes to the tax credits system that will accompany it. However, it raises a number of detailed and important questions that I shall deal with in a moment. I am afraid that that will probably be the most boring part of my speech for some hon. Members who are not so interested in the detail. [HON. MEMBERS: "No!"] I am pleased to have such a ready audience for such material.

Secondly, the existing system of support is getting incredibly complicated. It is unacceptably complicated and reflects what is going on in the benefits system more widely. I worry that the Government do not have a clear idea of their destination in some of the reforms, despite what the Paymaster General said, and that the Bill will not help us get there anyway. I shall deal with that point in a moment.

The third point derives from the fact that a relatively senior member of the Treasury team is presenting the Bill to the House. Does it really make for good government that the Treasury has become a benefits agency? Is it sensible that gamekeepers have become poachers? How on earth has all that happened? I shall get into that issue at the end of my speech.

We need first to do a bit of detailed analysis of the Bill. The Paymaster General rightly ranged widely in setting out the reasons for the Bill, and I shall not repeat that background. The Bill is part of a much broader reform, and as she said, there will probably be more in the Budget. There will also be a White Paper, as she mentioned. The Bill is designed to make only a couple of simple amendments to the eligibility rules—one affecting unwaged trainees and the other dealing with people over 19 who are on courses.

On the first change, as the Paymaster General said, the idea is to remove the apparent discouragement in the current system for people in training. A number of them choose to stay in full-time education because the financial support is better, even though they may be better suited to training. That is one of the concerns that have been expressed to me. The other aim is to help people stay on after their 19th birthday. At present, payments stop as soon as they reach that point.

The provisions on unwaged trainees look uncomplicated, although it should be remembered that the eligibility criteria for child benefit affect a number of other benefits, so the Bill has had to introduce amendments in respect of the widowed mothers allowance, the widowed parents allowance and the guardians allowance, among other payments. It is claimed that the Bill will remove distortions. I am not convinced that they will all be removed, although I shall perhaps save the detail—I have some of it here—for the Committee stage.

The entitlement of parents and carers to child benefit and the child tax credit currently stops at the 19th birthday, and the Government want people to be able to go on receiving the benefit while they are doing an appropriate course. As I have made clear, the Opposition will not oppose that proposal.

It is important—the hon. Member for Yeovil (Mr. Laws) began to get into this territory a moment ago—that we look at what impact the measures will have. In that regard, we have to rely on the regulatory impact assessments. I use the word "assessments" because we have already had two of them. First, an assessment was published in December. Frankly, it was so thin that I was surprised that the Paymaster General allowed it to get out of the Treasury at all. Secondly, a couple of days ago, we were given an assessment called the "Supplementary Partial Regulatory Impact Assessment". It is pretty partial and thin. It is a welcome supplement, but even when the assessments are taken together, we still have a pretty thin gruel.

Yet again, the Government have introduced a measure in quite a major spending area and we still do not have a proper regulatory impact assessment. The language of regulatory impact assessments is used, but the substance is not delivered. That is extremely worrying, and it probably explains the fact that so much money is being wasted in some areas of the public sector.

Rob Marris (Wolverhampton, South-West) (Lab): I have read both the documents to which the hon. Gentleman refers. As he said, the Bill seems a fairly simple measure, even though it will cost £105 million a year. What is he saying is missing from the regulatory impact assessments? Is he saying that he wants more complex assessments when in fact we do not need them?

Mr. Tyrie: If the hon. Gentleman will contain himself for a moment, I shall ask a few questions of the Paymaster General. If he wants to come back with the answers because he already knows them, I shall be delighted to take a second intervention.

At the heart of the matter is the fact that we do not know what the cost or effects of the measures will be. We do not know what the behavioural effects or deadweight costs will be; how many people will be brought into, attracted to or kept in training; or what the consequences would be if the measures were not introduced. The most basic question is: how many extra people will benefit and what is the extra cost over and above the amount that will have to be paid to those who would go into training anyway? We need to compare those two numbers to decide whether to proceed with the measure. That is not an easy question.

Rob Marris: In paragraph 10 of the supplementary partial regulatory impact assessment, which I think was published on Monday, the final words are "£105m a year", referring to costs in relation to the 80,000 young people mentioned in the first line of that paragraph. As I understand it, the benefit is non-means-tested. If double the number of young people went on to unwaged training courses and the figure was 160,000, the costs would presumably be £210 million a year. Surely, that is the hon. Gentleman's answer.

Mr. Tyrie: I am grateful to the hon. Gentleman for illustrating what I am trying to say. If he reads the paragraph carefully, he will see that it refers to

"trainees in all programmes of Government Supported Training",

as well as to child tax credit. We need a breakdown between those two aspects and to know what proportion would be spent on people who had not changed their behaviour in any way as a consequence of the measures. There is a deadweight cost. What we need to know in order to make a proper assessment and what the core of any regulatory impact assessment should be is how many extra people will be involved and the extra take-up that will result from the measure. That information is not provided in the document. Indeed, no attempt at all has been made to provide it. How many extra people will be trained? That is what we need to know, and I see that he nods in agreement.

We are not even absolutely sure about the straight-line cost—the point that I made in the beginning of my response to the hon. Gentleman. On reading carefully paragraphs 8 to 10 of the regulatory impact assessment, I see no breakdown of the £105 million between the cost of child tax credit, child benefit and income support. I may have misread the document, and perhaps he knows that information. I do not have it, and as the Paymaster General is not leaping to her feet to tell me, I fear that she does not know either, even though she is introducing the measure. In order to assess the value of such a measure, it seems absolutely basic that we must know that information, and we do not.

Let us turn to the age 19 cut-off and see how far we get in trying to work out what the regulatory impact assessment has to say about that. The Government have changed their mind on this issue. I thought that they were proposing a cut-off at the 21st birthday, but it seems that that the age has now changed to 20, only one extra year. Incidentally, they say that they are doing so because they have some concerns about behavioural effects, a point made in paragraph 23 of the regulatory impact assessment, but the cost, which is put at £65 million, does not take account of behavioural effects, which seems extraordinary. We have been given a cost estimate, which we have been told by implication immediately to ignore. If we do not ignore the cost estimate, there is little logic in excluding 20-year-olds. We have been told that lifting the age from 19 to 20 will cost £65 million, but raising it to 21 will cost only £10 million more. If the cost tails off that dramatically, why have the Government rejected raising the age limit a little further?

The Paymaster General referred to representations, and a number of relevant organisations have made representations that people will still be caught at the cut-off at 21. She could consider raising the cut-off to 22, bearing it in mind that the cost tails off so quickly. She may want to consider that option, but we have not been provided with the information to assess it. I would be grateful if she told me the Government's estimate, which must be extremely small, of the cost of bringing help to people aged 21?

I realise that the Paymaster General may not have all the answers on the tip of her tongue—I see that reinforcements are now arriving—and she may want to reply in a letter or in Committee, because it is important that those questions are answered. I have no illusions that they are easy, but they are relevant, and I hope that the Paymaster General and the Economic Secretary asked them vigorously of officials before they agreed to go ahead with the proposals.

At one point, the partial regulatory impact assessment states that it relies on anecdotal evidence. If that is the case, the Government should consider conducting a sampling survey. They have held a pilot; why not conduct a sampling survey on the points that I have just raised? Such a survey would not cost much and would enable the Government to answer the crucial question whether we are getting value for money for those proposals. We do not have evidence in front of us showing that we are getting value for money for the £170 million that will be spent as a consequence of the Bill.

I shall say a few words about complexity, which is my second major point, but I shall do my best not to detain hon. Members for too long. At the beginning of my speech, I said that complexity is a serious problem, and the tax credit and benefit system is now so complicated that scarcely anybody fully understands it. I am not suggesting that all the problems began in 1997, when the system was already complicated, but reforms since then have not made the situation any easier. As a result of recent reforms, seven benefits are specifically available to families with children—child benefit, child tax credit, working tax credit, statutory maternity pay, maternity allowance, guardians allowance and education maintenance allowance.

Three separate Departments are responsible for policy: the Treasury rules the roost on child benefit and child tax credit; the Department for Work and Pensions examines most other benefit issues; and the Department for Education and Skills runs the education maintenance allowance. That is not a good way in which to make benefit policy. The Bill originates in a

review conducted by all those Departments, called "Supporting young people to achieve: towards a new deal for skills", which was published in March last year.

In truth, support for young people is, of course, horrendously complicated. The Government make that clear on page 16 of the document, which includes a chart that would leave even someone who is well versed in such matters bewildered as to their entitlement. The system is far too difficult to understand: I do not think that there is a family in the country who could successfully navigate its way through the thicket of regulations and rules, and I am not sure how many hon. Members could, either.

I was shocked to learn that the people who are supposed to administer the system and provide expert help do not seem to have a firm grip. Lest hon. Members think that I am exaggerating, I shall quote from the Government's own document, which states:

"several young people who contributed to the Review had received poor and inconsistent advice".

The Paymaster General referred to that point, which is obviously a major concern. To their credit, the Government have acknowledged that there is a crisis as a result of the paucity of advice. The social exclusion unit report, "Bridging the Gap", also makes that point clear.

The Bill does nothing to address those problems. To solve them, we must rely on what "Supporting young people to achieve: towards a new deal for skills" describes as

"a radical simplification of financial support",

which the Paymaster General referred to earlier and which will occur at some unspecified future date. The detail on how that will be accomplished consists of little more than a table on page 35, which is worthy in itself but is scarcely the stuff of serious policy making. I will believe in the simplification when I see it.

In the meantime, the DFES and the DWP will work in consultation with the voluntary sector to try to ensure that young people at least get better help and advice in understanding their entitlements. That is, of course, welcome, but sophisticated advice centres to explain people's benefit entitlements are not a solution but a reflection of the problem. Young people most need advice not on the benefits system but on what courses to take and on the crucial questions that will affect their lives, as my hon. Friend the Member for Banbury (Tony Baldry) pointed out in his intervention.

I have made it clear that we will not oppose the Bill, but I regret yet further layers of complication being added to child benefit. When child benefit was introduced, its great advantage was that it was simple: it was a universal benefit paid regardless of income, and it had almost 100 per cent. take-up. It could therefore play a role in relieving poverty, particularly at the bottom end, where people often suffer the most by missing out on benefits designed for them. Because it was a universal benefit, it did not have severe disincentive effects.

The tax and benefits system is now being constructed on an ad hoc basis, and it is far more complex. It creates more disincentive effects, often has unacceptably low take-up and often fails to help those who most need it. Anybody who reads the recent National Audit Office report on tax credits will find plenty of evidence for what I have just suggested. The new tax credits, including child tax credit, have not worked as intended, causing problems for claimants, employers and the Government, and they are extremely complicated.

A moment ago, I said that child benefit was originally a simple benefit for a simple purpose; it is now a much less simple benefit for multiple purposes. The Government see it as a tool to encourage more people to choose unwaged, work-based training, if that is their preference, instead of paid work-based training. It is seen as one of the tools needed to tackle the skills shortage and as part of the education system. This Bill, its accompanying regulations and the raft of measures that are likely to be announced shortly are no doubt well intentioned, but will they have the effects intended? I am not sure.

A Dutch economist, Jan Tinbergen, won a Nobel prize by making this simple point: use one social policy for each policy objective. The Government have located a problem, a skills shortage, which is what, "Supporting young people to achieve: towards a new deal for skills" is all about, and they have decided to use multiple policy instruments to tackle it.

My best guess, and my worst fear, is that the law of unintended consequences will apply, although I shall not try to predict how. If the Government were to get the chance to implement more legislation after the election, I would wager that before long they would have to return with yet another raft of measures to tackle the unintended consequences of the last set. There are so many examples of that having already happened with the Government's reforms that I hardly know where to begin. Perhaps, as I have already been speaking for a while, I will confine myself to three.

First, there were the individual learning accounts. Remember those? They were an early attempt by the Government to address the skills agenda, but they had to be abandoned because they generated so much fraud. Then there is the pension credit, a flagship policy introduced as recently as October 2003, but just over a year later we have had a number of press reports suggesting that it is to be scrapped. There are also the new tax credits to which I alluded. Those were presented as a light-touch system, responsive to the needs of families, but the overpayments problem seems to be growing all the time, and we do not yet know the full extent of it.

The plain fact is that this Chancellor cannot resist meddling. He is a spending Minister struggling to get out. He sometimes reminds me of an earnest professor of social engineering, with his incessant tweaking and adjusting of his own creation. We only have to look at the history of tax credits to see that. In the space of four years, this Chancellor has abolished family credit and introduced the working families tax credit.

Rob Marris: Very generous.

Mr. Tyrie: He has introduced the child care tax credit and the disabled person's tax credit.

Rob Marris: Hear, hear.

Mr. Tyrie: He has introduced the employment credit, the children's tax credit and the baby tax credit.

Rob Marris: Hear, hear.

Mr. Tyrie: The Chancellor has abolished—and I do not know whether I will get more "Hear, hears"—the working families tax credit, the disabled person's tax credit, the children's tax credit and the baby tax credit. He has also abolished the employment tax credit and introduced the working tax credit. The results are predictable: low take-up, confusion and complexity. Those are the unintended consequences of a system in which fraud and error are rife and many people do not get the support to which they are entitled and which they deserve.

That brings me to my third and final point, which is about the Treasury as a spending Department. After all, most of what I have just described is a direct consequence of the Treasury's having started to meddle in this area. How on earth can it be that the Prime Minister has allowed a Chancellor to turn the Treasury into a spending Department? How on earth is it that the only gamekeeper that we have in Whitehall is now on the loose as a poacher? The answer comes in one word: Granita.

The truth is that just over a decade ago, in an Islington restaurant, the then Leader of the Opposition, now the Prime Minister, promised his shadow Chancellor that if they won the election he would have a free run of the fairness agenda—social justice, employment opportunities and skills. As a result, we have Treasury measures such as this, and the DWP, which is just about the only repository of wisdom in Whitehall about how to run a benefits system, lost half its remit. It is scarcely any wonder that there has been such chaos in the take-up of benefits. The Inland Revenue was never geared to run a benefits system; its job was to get the tax in. In the long run, neither the making nor the running of policy in this way is sustainable.

Mr. Liam Byrne (Birmingham, Hodge Hill) (Lab): I hate to puncture this entertaining narrative, but has not the effect of the changes introduced by the Chancellor been to end the growth of income inequality which so scarred the country under the last Conservative Administration?

Mr. Tyrie: That is a very broad question, but it is a fact that in the past seven years the number of those at the bottom end who are most in need—the so-called million who miss out on education and training—has increased from a little under a million to well over a million. The indicators point in several directions, and the picture is certainly unclear. What is more, that change took place at a time when the economy has been growing very strongly and unprecedented sums have been thrown at these problems. Never has so much money been spent, with so many good intentions, to so little effect.

As I said a moment ago, that is no way to run a Government. I have noticed that a number of new Labour's keenest, innermost, kitchen cabinet-type supporters have started to say the same. What does John Birt's proposal to extract the spending Departments from the Treasury and place them in the Cabinet Office really mean? It is about recreating something that was lost when the Treasury became a spending Department. It is about recreating a workable system of public expenditure control and review. That is what we desperately need in Whitehall now. Of course, it is also about trying to wrench back some control for the Prime Minister over the empire-building of his neighbour in No. 11.

If one wants to know the real origin of this child benefit proposal and the whole of the Treasury-driven skills agenda, one finds it in Granita. It is not all good and it is not all bad, but it lies there. The Granita deal has a lot to answer for, for the plain truth is that a great deal of Whitehall machinery has been wrenched apart and restructured to placate the ambitions of a thwarted Chancellor. This Bill is just one small part of that decision.

2.16 pm

Rob Marris (Wolverhampton, South-West) (Lab): I shall return in a while to the out-to-lunch remarks about Granita by the hon. Member for Chichester (Mr. Tyrie).

I want to put the Bill, which I very much welcome, into an historical context. Many of my generation, and those of others in the Chamber today, were scarred politically by our communities' experience of the 11-plus and the idea that, at age 11, one was either going to become a manual worker or an academic, A-level type with a higher certificate, as it used to be in England. We worked hard politically to overcome that bifurcation at age 11 with our support for comprehensive education and for encouraging young people into higher education. The pendulum has swung too far and what many of us, including me, overlooked, is that training is necessary for many manual jobs and that we should be looking for people divided off at age 11 into the non-academic stream to be able to get back, as adults, into the academic stream. That is what the Open university, one of the jewels in the crown of Harold Wilson's 1966 to 1970 Labour Government, was about. What has only just started to happen in the other direction is that, in the past three or four years, we have been looking at ways for those who were on the academic track to take a non-academic or less academic route to education and training.

Also part of the historical context is the fact that we have 2 million more people in work and the fact that in certain areas of the country there are huge skills shortages. Some of that is being addressed by imported labour, which in some cases will be temporary—for example, the use of Filipino nurses in the health services. However, the bulk of the problem should and will be solved by training home-grown labour.

The support that we as a society, the previous Government and this Government provided for those entering higher education was entirely worth while, but again the pendulum swung too far. Those who were continuing with training but were not in higher education were second-class citizens when it came to social and Government support for their endeavours. That is true of young people as well as mature students. I very much welcome the 14 to 19 strategy for increased curriculum flexibility that has come from the Tomlinson report. The Bill fits neatly with that as additional financial support for those who, for example, have had disrupted schooling and go on to do at 19 or 20 what some of their peers might have done at 17 or 18. It is very welcome and it is overdue.

You will know, Madam Deputy Speaker, of the huge skills shortages in your area, which is the same as mine—the black country—and of what the Learning and Skills Council and Connexions have been doing. We are starting to change that, but it will take a long time. It is particularly relevant for an industrial area such as the west midlands. Not so much down in the southern part, where you are, Madam Deputy Speaker, but where I am in Wolverhampton, there is a history of people training on the job but not getting formal qualifications. Although that is important, we need to move as a society towards more formal qualifications as well as training on the job that leads to qualifications. The Bill dovetails nicely with that, and it will be of tremendous benefit to our region and sub-region.

The hon. Member for Chichester rightly mentioned the complexity of the Bill. He talked about the various ways in which young people could access not only training but financial support, whether child benefit or education maintenance allowance. He mentioned the "Bridging the Gap" report, which refers to slightly different figures from his but reaches exactly the same end point. It says:

"Money is paid through at least eight different agencies (with a ninth heavily involved) on behalf of two Government Departments."

That was also mentioned by the hon. Member for Banbury (Tony Baldry) when he talked about how young people would find out about this support, and it is what I found in my preparatory research for the debate. The aims of the Bill are twofold—to provide state support for trainees who are unwaged on training courses and for those who are, to put it in shorthand, at further education colleges and carrying on with courses until the age of 20 or so.

That is a simple and laudable goal; the complexity lies in the delivery mechanism. I caution the hon. Member for Chichester as regards talking about simplicity. Simplicity is one of those things, like cutting red tape, that is terribly attractive to Members all over the House, who hope that it will be attractive to those whose votes they seek to garner. As my hon. and learned Friend the Member for Redcar (Vera Baird)—a fellow member of the Work and Pensions Committee who will speak later—and I know, the Child Support Agency is a classic example. Parliament decided to simplify CS1, the first system that was brought in, and introduced CS2—a system based on 15 per cent. for the first child, 20 per cent. for the second child, and 25 per cent. for three or more children in terms of the non-resident parent's obligation to pay. That is a simple formula that is understandable to the man—it usually is a man—in the street, but the complexities of putting it into effect have bedevilled the Department for Work and Pensions and the Child Support Agency. What appeared to be simple on paper became terribly complex when one tried to put it into operation. The reason for that is simple—people lead complex lives. If we as a House try to simplify matters too much, it may well imperil support for children and for young people engaged in education and training who will be covered by the Bill potentially from the ages of 16 to 21.

The Bill is a step forward because it will start to address the skewed choices that some young people have made through force of financial circumstance. Paragraph 28 of the regulatory impact assessment states:

"One possible positive effect is that training providers may find they are on a level playing field with FE colleges because young people's decisions are not being skewed by differentials in financial support between the two learning routes."

It is very important that young people have a more level playing field of choice.

The costs have been adverted to. Government spending is massive. One should never be cavalier with taxpayers' money, but the Bill is a very positive step. As set out in the regulatory impact assessment—there will of course be changed behaviour, as the hon. Member for Chichester said—the cost of the 80,000 unwaged training positions will be £105 million per year. In fact, one hopes that there will be some change in behaviour and that more young people who are not on the training contracts will engage in them, thereby helping to address skills shortages. Relative to Government spending, that cost seems small. If the number of positions were to double from 80,000 to 160,000, and the per capita costs were roughly the same, the figure would rise to £210 million, with tremendous social benefit in terms of those young people's self-respect and dignity. There will be positive benefits for society when those young people come through the pipeline having been trained.

The cost of paying for FE places—again that is shorthand, but they are the main focus—is £65 million a year up to the age of 20 and £75 million up to the age of 21, with some attendant costs that are not mentioned.

Mr. Laws: As a matter of interest, if the Government said that they were not expecting any behavioural effects from these two changes, would the hon. Gentleman still think the measures worthwhile in their own right?

Rob Marris: I certainly would and I thought that I had said so. This training is a social good in terms of respect and dignity for young people who undergo it and receive some form of social recognition through money, which for many people, particularly young people, is a good way of getting recognition. Some young people who do not change their behaviour will be better off as a result. There will be significant advantages if there is changed behaviour in the direction that most of us would expect—that is, more, rather than fewer young people undergoing training.

Before I move on to my final remarks, I want to make some miscellaneous points. I am delighted that the Government published a regulatory impact assessment, and the partial one on top of it, so that we have some figures. They may not be as full as some Members would like, but they were published in time for the debate. I am particularly pleased to see the indicative draft regulations, which I am sure that the hon. Member for Buckingham (Mr. Bercow), who ducked out of the Chamber briefly, dashed out to read with his usual thoroughness. They are but two pages, so they are a quick read. Regulation 2 defines "approved training" as:

"in relation to England, arrangements made by the Government known as 'Entry to Employment' or 'Programme Led Pathways into Apprenticeships'".

[Rob Marris]

I confess that I do not know the exact details of those programmes, but I am pleased that in this case the Treasury managed to produce some draft regulations for Second Reading. Would that every Department did that in time for Second Readings of Bills that contain references to regulations that will be made after their passage.

Mr. Bercow: I am in a generous mood. May I tell the hon. Gentleman that, although ordinarily I am struck principally by the opacity of secondary legislation, and by the fact that it tends to raise more questions than it answers, this set of draft regulations is truly a model of clarity and of brevity?

Rob Marris: I certainly agree. That is nothing less than the hon. Gentleman and I would expect from the Treasury.

I have a couple more miscellaneous points with which I think that the hon. Member for Buckingham, who is somewhat pedantic—strangely, I too am sometimes accused of being so—will sympathise. Clause 6(2) starts with a conjunction—"But". That is a horrible piece of journalese, and I hope that the Committee will change it. Conjunctions such as "because" and "although" are acceptable words with which to start a sentence, but "but" is not.

Clause 7 gives the short title of the Bill. It states:

"This Act may be cited as the Child Benefit Act 2005."

I think that that should read: "This Act may be cited as the Child and Qualifying Young Persons Benefit Act 2005." That is not pedantry. There is a problem with the Bill, as I read it, and the approach of the Government, as I read it. The goals are simple, but the ways of getting there are complex, as the hon. Member for Chichester pointed out. I am not sure that the Bill adequately addresses the question of independence for young people. We have to bear it in mind that, since about 1971, the age of majority has been 18. As I understand it, the education maintenance allowance, which was piloted in Wolverhampton, has been successful throughout the country. Year 12 participation increased by 5.9 per cent and year 13 participation by 4.1 per cent. in the EMA pilot areas. It is paid to the student and that is a mark of independence. Many students who are doing A-levels in a traditional sixth form in year 13 will be 18. I understand that they get the money directly, although I am prepared to be corrected because of the complexity of the matter. That gives the individual independence.

Similarly, the minimum training allowance is paid to the trainee. Conversely, child benefit—or child and qualifying young person's benefit—will be paid through the parent or guardian. If so, 18 and 19-year-olds, one and two years into their adulthood, will remain locked in, not only through means-testing but because of who receives the giro—or automated credit transfer, as it probably is nowadays. Who will get the money? Will the young people get it in their own name and right or will it be refracted through their parents or guardians? As I understand the Bill, the latter will apply. That is a step backwards and I shall highlight the point, and the way in which some young people feel, by referring to my experience, albeit not directly of the subject of our debate.

As some hon. Members know, I emigrated to Canada when I was 18. I was born and raised in Wolverhampton and I wanted to see the wider world. I have been back in Wolverhampton for many years and am very happy there, but I emigrated to Canada, where the federal age of majority was 18. Thus, at 18, with a scholarship for university, I could go there so I went and I had a great time. I was at the university of British Columbia, which, as some hon. Members know, is a distinguished institution, and I picked up a couple of degrees there. However, in British Columbia, the age of majority was 19 and a driving licence could be obtained at 16, 17 or 18 only if a parent or guardian co-signed the application form. I had a United Kingdom driving licence, but it had to be transferred to the provincial jurisdiction in Canada. One could not get one's driving licence without parental consent until the age of 19. That was the age of majority in the provincial jurisdiction for road traffic matters, which, under confederation, were in the power of the province. Hon. Members will not be surprised to know that I was darned if, having emigrated at 18 and being totally financially independent of my parents, I would seek their permission to get a driving licence. I therefore had to wait several months until I was 19 to take a driving test.

Mr. David Ruffley (Bury St. Edmunds) (Con): What has any of that to do with the Bill?

Rob Marris: I am sorry if the hon. Gentleman believes that my comments are irrelevant. I am trying to make a point about young people's feelings by referring to mine at the age of 18 about being perceived as appendages of their parents when they are adults. The Bill appears to perpetuate that and make the position worse. Whereas the minimum training allowance is paid to the individual trainee, the replacement young person's child benefit will be refracted through a parent or guardian, thereby lessening the young person's independence. That is the relevance of my comments. I apologise to the hon. Gentleman if I did not make it entirely clear. I wanted to make a point about the Bill's structure and the way in which the expanded child benefit, which I greatly welcome, will be assessed and paid. I should like the Government to tackle that.

2.33 pm

Mr. David Laws (Yeovil) (LD): We join the hon. Member for Chichester (Mr. Tyrie) in welcoming the Bill, especially two specific provisions: first, extending child benefit and the child tax credit to unwaged trainees and, secondly, allowing young people who reach the age of 19 and are on a course to continue on it with the benefits that they received previously. We believe that both changes are sensible and we support the broad thrust of the Government's strategy to try to ensure a coherent, simple and helpful system of support for young people.

The hon. Member for Wolverhampton, South-West (Rob Marris) mentioned one reason for the Bill: to ensure a fair and level playing field between young people in training and those in formal education. That is sensible and clearly reflects some of the changes that the Department for Education and Skills is currently considering. The Bill has to be viewed against the background of the Government's attempts, for

example, through the education maintenance allowance, to encourage young people to develop their skills and to help those young people who would otherwise be under pressure to leave education and training and go straight to work. We welcome the opportunity for those people to continue in education and training.

The hon. Member for Chichester made several points about the Treasury's involvement, on which it is worth commenting at the outset. We welcome the strategic interest that the Treasury has shown since 1997 in economic and social issues. The Red Books have got larger over the years. Although those of us who read them note their increasing cost and length, we also note the broad strategic economic and social set of objectives that the Government present, steered by the Treasury, either because of the Granita dinner or for some other reason. It is important for any Government to have a set of broad economic and social objectives. They should be pursued by some part of Government—the Treasury or perhaps the Cabinet Office in future. The Cabinet Office would have to do a reasonably good job to co-ordinate them and create a sense of coherence in the way that the Treasury has done since 1997.

Those relatively complimentary comments come with a reservation that, although the Treasury has a useful co-ordinating role, I am not sure whether it is sensible for it to be seen to lead on matters that would normally be the domain of individual Departments. No doubt all hon. Members who speak in the debate, including from the Front Benches, will be well briefed, but many of the detailed and substantive provisions in the Bill are matters more for the Departments for Education and Skills and for Work and Pensions. The measure would benefit from not only their involvement but their leading on the issues. It would also benefit from the Treasury playing not only its part in the broad strategic direction of Government policy but a policing role for large amounts of public expenditure. The costs may be clear but the benefits are not.

The Bill is small and uncontentious but important. First, it deals with two substantive matters that affect approximately 160,000 young people. It is a worthwhile measure for that reason. Secondly, it is clearly part of a much broader and longer-term strategy to simplify and rationalise the system of support for children, young people and young adults. The hon. Member for Wolverhampton, South-West made the sensible point that having 19, 20 and 21-year-olds on child benefit appears bizarre and eccentric. I suspect that when people outside the House realise the position, they will find it eccentric. It will lead to even more confusion of the sort to which the hon. Member for Chichester referred. That is amplified by the sketch and graph in the paper that the Government issued in March 2004 and that attempts to set out in visual form the existing systems of support for young people. It is extremely challenging. I hope that the Government will take the opportunity in the longer term to rationalise and simplify support for young people. I hope that, in future, we will not have to rely on child benefit as the means of support for young people who have clearly entered their adult years.

Rob Marris: The hon. Gentleman referred to my comment about the independence, or lack thereof, of 18 and 19-year-olds. Given that a qualifying young person's child benefit will apparently be paid through a parent or guardian, does he agree that there is a potential breach of the Human Rights Act 1998, because 18 or 19-year-olds would have to tell their parents that they were in training or education at a further education college? They may not wish to do that, but if they do not, they may not be able to gain access to the money.

Mr. Laws: The hon. Gentleman makes an important point. Where there is already a breakdown in the relationship between the young person and the parent, a different category of benefit entitlement might apply anyway and they would not be covered by the child benefit provisions. However, there will be many marginal cases, and this should be one of the issues that we consider very carefully in Committee.

The final reason why this is an important Bill is that although it is short and seems modest, it involves quite a lot of public expenditure. The total cost, as the hon. Member for Wolverhampton, South-West said, is about £170 million a year, or £6 for every taxpaying household in the country. That is not a huge amount, but it is not a modest amount either, and we should certainly subject that sort of expenditure to a great deal of scrutiny.

I want to touch on four issues today. The first is the cost and benefit calculations that have to be made, and the extent to which they have been made in the regulatory impact assessment. Secondly, I want briefly to look at any problems likely to arise when changes are made to the entitlement of unwaged trainees. Thirdly, I want to look at the way in which the changes will affect young people who are still in education or training at the age of 19. Fourthly, I want to make a couple of brief comments about the Government's future strategy in these areas.

I want to start by joining the hon. Member for Chichester in expressing surprise at the paucity of information in the initial regulatory impact assessment, and to express my relief that a partial supplementary assessment was published recently. There was a wonderful letter at the back of the initial regulatory impact assessment, which was no doubt among the many things on the Paymaster General's desk that she had to sign at the end of a busy day. She had to put her signature beneath this sentence:

"I have read the regulatory impact assessment and I am satisfied that the benefits justify the costs."

I do not know how she came to that conclusion by reading the regulatory impact assessment, because it is extremely brief and extremely unhelpful in terms of assessing both the benefits and the costs.

In fairness to the Treasury, we have had the supplementary partial regulatory impact assessment, which is pretty clear on the costs. Some issues might arise in relation to the costs based on our assumptions about what individuals will do in responding to these changes, but the cost side of the equation is pretty clear, as I am afraid it usually is when any Government introduce a change in policy. We always know what it will cost, and those cost estimates tend to be reasonably reliable.

It is far less clear what kind of benefits we can achieve through these changes. Some might be achieved simply through creating a fairer system and having a more

[Mr. Laws]

socially acceptable set of benefit entitlements. That was the implication of the comment made by the hon. Member for Wolverhampton, South-West when I asked him whether he would still be in favour of the two changes even if there were no economic benefit. It is quite possible that we would be in favour of them for other reasons, although I doubt that that would be the case in relation to educational maintenance allowances. If we had spent additional money on those and there had been no increase in the staying-on rate, I suspect that few of us would think that it had been money well spent. There are, therefore, reasons for us to look very closely at the economic benefits of the proposals.

This area of public expenditure is competing with every other one for a slice of the national cake and for available expenditure, which is likely to be quite scarce after the next election, given the state of the public finances. If we look at the section of the regulatory impact assessment that discusses benefits, which the hon. Member for Chichester was generous enough not to read out earlier, we find that it states:

"The benefits of the Bill are two fold. Firstly it enables implementation of the reforms to the definition of a child to address two key anomalies".

It then sets out the anomalies that are dealt with in the Bill. It goes on:

"Secondly it introduces a degree of flexibility to respond to curriculum changes in England expected to flow from the 14–19 working group, chaired by Mike Tomlinson".

In other words, all that the section on benefits says is that the benefits are what the Bill does, and that it is going to introduce a degree of flexibility in relation to changes that we do not yet know will actually take place, but that are simply expected to take place. On that basis, the Paymaster General has signed a piece of paper stating that she is satisfied that the benefits justify the costs. I am glad that she did not say that the benefits exceeded the costs, because it would be very difficult to establish that from the information that we have. This is an important issue, however.

The hon. Member for Chichester alluded earlier to some of the estimates that we would expect the Treasury to have made in order to come to a reasonable monetary estimate of the benefit of this legislation. The Treasury must have made some sort of assessment of the effect of the extension of child benefit and the child tax credit to unwaged trainees. Presumably, it could have an impact in two ways. First, it could encourage individuals who would otherwise have gone into paid employment to go into unpaid employment. That could have a significant cost to the Exchequer. Secondly, it is quite possible, as the Government have acknowledged, that it might act as an incentive to draw people out of formal education into unwaged training, which could end up being less expensive—in that narrow sense—for the Government.

However, we are left with no sense of the estimate that the Government have made of the effect of these changes. Without that, we have no sense of what the Government would consider to be a success or a failure in terms of the effects of these changes on people's behaviour. If we are to know how successful the provisions have been, and whether the extent of the incentives is sufficient, we need to know what the Government expect. I hope that the Economic Secretary will be able to say more about that later.

Mr. Mark Francois (Rayleigh) (Con): I am following the hon. Gentleman's argument closely, and I think that we all agree that there is some slight confusion about the Government's figures on the benefits of these changes and exactly how much they are going to cost. This could have been a Department for Work and Pensions Bill, or even, arguably, a Department for Education and Skills Bill, but it is a Treasury Bill. Is there not a delightful irony in the fact that the Treasury, of all Departments, cannot be specific about the figures involved?

Mr. Laws: The hon. Gentleman makes a good point, and it is made stronger by the fact that it is the Treasury that should be acting to exert discipline in these circumstances. However, if the Treasury is seen to be the lead Department, it is much more difficult for it to enforce a degree of rigour in relation to the costs and benefits.

The costs and benefits are also relevant to any incentives that might be created by the changes for people to extend their courses. The Government have expressed their concern that there might be an incentive for people who have turned 19 to carry on their courses for longer. This is not an area in which I claim to have expertise—input from colleagues from the Department for Work and Pensions and the Department for Education and Skills would be useful here. Will there also be an incentive for employers to switch from having young people in training on a waged basis to doing so on an unwaged basis in order to exploit the changes in benefit entitlements? The Government have suggested in some of their comments in the regulatory impact assessment that they are concerned about that, and there are allusions to the need to deal with the issue. However, we are given no sense of how they intend to do so. The effects that the changes will have in regard to child benefit and child tax credit also relate to those people who stay in education beyond the age of 19. We need to know what effect the Government expect that to have.

It would also be helpful if the Economic Secretary could clarify whether the costs of the Bill have been built in to the existing public expenditure estimates, or whether the Chancellor will need to make an additional provision for this expenditure in the next Budget. In other words, is this already in the Treasury's public expenditure plans, or will they have to be increased to take account of these provisions?

We need to consider a number of issues relating to the substantive non-cost issues resulting from the two changes. The first category relates to the changes in regard to unwaged trainees. The Paymaster General said earlier that she believed that all the 80,000 people currently in unwaged training—that was the figure as at September 2004—would receive child benefit and child tax credit under the changes. That is not the impression that I get when I read sections 9 and 10 of the supplementary partial regulatory impact assessment, as it seems that the Government have had to make a judgment about how they extend this entitlement in practice, and how they define and seek to regulate the category of people who are counted as unwaged and in training.

The Government appear to have had two different options: one was to extend those entitlements to all unwaged trainees, and the other was to try to come up with some definition. I think that the definition that the Government have come up with is that those benefits will be extended to

"those who do not have a contract of employment on Government Supported Training programmes".

Section 9 of the supplementary regulatory impact assessment goes on to say that the Government

"will do this by naming the relevant programmes of Government Supported Training in the new regulations".

I am therefore dubious—I admit that the Paymaster General said that she would come back to me on this—about whether her comment that all 80,000 individuals on unwaged training would be covered is likely to be realised in practice. I suspect that a small group of people will be missed out, but without the expertise in that area I am unable to speculate on how large that group may be. I hope that the Economic Secretary may be able to comment on that later and tell us whether any groups might otherwise miss out.

Rob Marris: Is not the answer to the hon. Gentleman's question in the final sentence of paragraph 10 of the supplementary partial regulatory impact assessment, which reads:

"The Exchequer cost of extending the same package of support as for full-time education to unwaged trainees in all programmes of Government Supported Training is £105 million"?

Mr. Laws: I am grateful to the hon. Gentleman for making that point. That is not how I read it. My reading is that that cost estimate of £105 million is based on the conditions imposed in paragraph 9, which relate specifically to particular Government-supported training programmes that will be spelled out. I think that that is an attempt by the Government to make sure that there is not abuse of those entitlements by employers or others who make bogus claims about people on unwaged training programmes. I fear that some people may be missing out, perhaps understandably, as the Government want to make sure that it is policed effectively, but it would be useful to know a bit more about it.

Mr. Tyrie: The hon. Gentleman is on to a strong point, which I considered making myself. The point was made to me by the Prince's Trust, whose letter I have in front of me. It strongly urged clarification on this point, and specifically wanted to know what is meant by Government-supported schemes, and whether voluntary work, work experience and other more informal forms of training will be ineligible.

Mr. Laws: I am grateful to the hon. Gentleman for reinforcing that point, which seems to indicate that it may be useful for the Economic Secretary to clarify that issue today.

My other concern is that there may be employer incentives to switch between waged and unwaged training, which I mentioned earlier. The Government seem to share that concern, because in the initial regulatory impact assessment, in paragraphs 20 and 21, they set out that there might be some problems in that area. Paragraph 21 says specifically that devolved organisations, with responsibility for securing the progression of trainees from unwaged to waged status, may have to bring in new accountability arrangements to ensure that no adverse impacts or unintended consequences flow from treating unwaged Government supported training more generously. I would be grateful if the Economic Secretary could comment on what proposals there may be to make sure that there is no abuse or adverse impacts.

Finally, Barnardo's has made some useful representations. It is concerned—including on the issue of unwaged trainees—about whether the proposals will reach the underachieving and hard-to-reach group of young people with whom it must often deal, who do not always fit into the neat packages in terms of behaviour, work patterns and benefit entitlements, that the Government, and all Governments, would like. The Barnardo's briefing, which many of us will have received before today's debate, states:

"The aim of the new financial support package is to encourage more young people into training or education but it is difficult to see how a measure that 'rewards' the family rather than the individual young person will assist training programmes to recruit under achieving or hard to reach young people."

That touches on the argument that the hon. Member for Wolverhampton, South-West also made earlier. I would be grateful if the Economic Secretary could comment on that, too.

On extending the benefit entitlements and child tax credit entitlement to those who reach the age of 19 and over, we support the change, which seems entirely sensible. Clearly, there are risks of wilful or passive abuse, and the Government's initial suggestion that the cut-off would be raised only to 20 rather than higher, seems sensible. The hon. Member for Wolverhampton, South-West also pointed out the sheer oddity of potentially extending child benefit to 20 and 21-year-olds and he is absolutely right that we should hope that that is not the long-term mechanism that the Government intend to use to get help to those young people. Fortunately, we understand that the Government are engaged in a much more far-ranging inquiry into support for young people in future, which will be designed to rationalise all that. I do not imagine that the Government will be considering child benefit to support people in those circumstances in future. If the Economic Secretary could clarify that it would be useful, and it might also address the concerns of the hon. Member for Wolverhampton, South-West about parents getting involved, even though the young people concerned have become adults under UK law.

Barnardo's also makes a very effective point about hard-to-reach young people and the age 19 cut-off. Its briefing says that

"from our own experience we know that there are young people who, because of their life circumstances, do not access training until later and require a longer period of training before they are fully ready to move into employment . . . If the Child Benefit and Tax Credit extensions are not to apply to them—and we acknowledge the incongruity of "Child" benefits for 21 year olds—then we would wish to see some other sort of continuing financial support for this group of young people."

That reinforces the comments made by the hon. Member for Wolverhampton, South-West and the need for us eventually to move beyond reliance on child benefit in this area.

[Mr. Laws]

Those are the issues that are specifically relevant to this Bill, with which I hope the Economic Secretary will deal. It is also worth making a couple of points about the Government's wider strategy, because this Bill is something of a milestone along the way to a new system of support for young people. We ought to be thinking about what we are seeking to achieve in that new system.

There is a degree of ambiguity in the Government's strategy in relation to what they are seeking to achieve. A useful paper came out earlier this year, "Supporting young people to achieve", which was sponsored by the Treasury, the Department for Work and Pensions and the Department for Education and Skills. On page 34, it states:

"As well as providing a stable bridge of income between activities, support paid at the same level irrespective of activities would not distort choices."

The argument is that the Government would put in place a system of support for young people in which choices between different elements of education and training would not be distorted by economic incentives and the way in which young people are supported. That comes back to the level playing field argument and the reasons for extending benefits to unwaged trainees. If we read on, the next paragraph states:

"Financial incentives would influence young people's behaviour in several ways. First the additional weekly amount payable direct to the young person would provide an incentive for them to progress into learning."

There we come to the other part of the Government's agenda, which is not really to have a simple level playing field, but to try to tackle some of the problems to which the hon. Member for Wolverhampton, South-West alluded earlier—the inability of many young people to stay on in education and training at age 16 or 17 because of economic pressures to go into work and earn money. That is causing the Government not to create a level playing field, but to create certain incentives that are deliberately designed to encourage people to stay in education and training. That may be a very good thing, but it is not the same as a level playing field. It also raises a series of problems in terms of Government policy—which brings us back full circle to the issue with which the hon. Member for Chichester began, namely, costs and benefits.

If the Government are going to spend a lot of money, they must be very cautious. They must ensure that spending that scarce money actually does change behaviour, rather than simply leading to the deadweight costs that we spoke of earlier. The incentives that the Government implement may not always achieve that balance between costs and benefits. Moreover, in making these changes the Government may, as Barnardo's suggests, impose conditions that will not be easily met by the most vulnerable in society.

There are a number of concrete issues on which we need reassurance from the Government—not just the issue of the cost-benefit balance, but some of the practicalities involved in the Bill's implementation. There are far bigger issues relating to the Government's strategy, with which we will deal on another occasion.

3.1 pm

Mr. Liam Byrne (Birmingham, Hodge Hill) (Lab): I am grateful for the opportunity to speak in this important debate. It is important because it is about young people—the people who will inspire us and take our country, our communities and our economy in new directions during this century. They are the young people who, I hope, will not just reinvent the country but support us in what I trust will be a long and happy retirement.

The fact is, however, that many young people do not receive the credit they deserve. Sometimes our communities blame them for many of society's problems; sometimes, indeed, they are afraid of them. Nevertheless, our young people are not just an equal part of society but—as President Kennedy once put it—the gold reserve of any nation. They are the source of our future wealth and well-being.

I came to understand that vividly last Friday, when I was joined at Shard End community centre by the chief constable of West Midlands police, Paul Scott-Lee—a remarkable public servant in his own right, who has served the west midlands extremely well. He joined me for a cup of coffee and a talk with local residents about antisocial behaviour. It was a feisty meeting, as such meetings often are, but Mr. Scott-Lee made a simple and powerful point: he said that as a community, we must take care never to demonise our young people. It is true that some young people will always cause problems for others, just as many old people will. I have dealt with enough nuisance neighbours in Hodge Hill to know that the middle-aged are sometimes just as big a problem as the young.

I have to say that when I first heard Paul Scott-Lee express his views I was sceptical, but on reflection I realise that he was right. We should remember that young people can be inspirational too. We need only think of the way in which Amir Khan captivated a nation at the Olympics; we need only think of young Ms MacArthur battling her way around the southern oceans at this very moment. Indeed, this country once appointed someone in his early 20s as Prime Minister. Young people in history and today have helped to make the country great, and it is young people of genius and spirit who will power it to a greater future.

Everyone who will work in the labour market of 2020 is now alive, yet that world of 2020 will be very different from the world of today. First, our young people will have to support rather more senior citizens. By 2020, 30 per cent. of the UK population will be over 60, up from 20 per cent. today. Today the over-65s constitute 24 per cent. of the working population; by 2025 that will rise to 33 per cent., and by 2050 it will rise to nearly 40 per cent.

Secondly, it will fall to our young people to rise to the challenge of reinventing the way in which our world works. We can see clearly some of what will happen in the future when we reflect on what has happened over the past 20 years. Today, a throwaway musical birthday card has more computing power than the mainframe computer of a couple of decades ago. In 2020, computers will be 4,000 times as powerful as they are today. Nowadays, an estimated 10 to 20 new medicines resulting from biotechnology are launched every year. By 2015, genetic therapy will treat 30 per cent. of

life-threatening diseases with a genetic root. All those new possibilities will change the way our country looks, and will power an economy that by 2020 will be 50 per cent. bigger than it is today. It is our young people who will drive those changes.

We will all have different stories about what that means in our constituencies. I know what it means in Hodge Hill. I recently visited Hodge Hill mixed school, where the head teacher, Marie McMahon, rightly talked proudly of the transformation in the school's results over the past year. She introduced me to some of the school's outstanding graduates. Once upon a time, they would have left school for unemployment—or worse; now, thanks to this Government's reforms over the past seven years, they are ambitious to stay in education, and financially equipped to do so.

All those young people had one thing in common: an ambition to leave school and go on investing in themselves—working hard not just for themselves but for their families and communities. They were, quite frankly, an inspiration. In a way, the Bill is about how we as a country can support people like them as they face the possibilities of tomorrow. That is of particular concern to many of us in Hodge Hill, because we have one of the lowest post-16 participation rates in education, and consequently one of the lowest rates for participation in higher education. Children and young people are now very well served by many of the schools in my constituency, and by many of the local further education institutions—organisations such as City college, blessed by great public servants such as Kate Morris, who retires today after a lifetime of service.

Nevertheless, the country confronts two problems. How can we create an economy that is healthy, but in which each of us has an equal chance to become wealthy? To achieve that goal we must not just improve our national productivity but ensure a more equal distribution of skills. In the past few years, we have made great strides in transforming productivity. We are now as productive as Germany, and we are fast catching up with France. That is due in no small measure to our national investment in skills. In 1981, 7.8 million workers were without qualifications; now 90 per cent. have formal qualifications. Today 28 per cent. of the work force are educated to NVQ level 4 and above, an increase of 133 per cent. in 20 years. Seventy per cent. of those aged between 25 and 64 have had a secondary education, and half those between 16 and 18 are in full-time education or training, compared to just one third in 1985.

That is a pattern that we must sustain and improve if we are to stay ahead as a nation. In the years to come our economy will need reskilling, and reskilling again. In 1980 almost no one predicted the advent of the personal computer, and in 1990 no one predicted the rise of the internet; yet today information technology skills are judged essential by every employer. If we are to accelerate the pace of investment in productivity and create real opportunities for all our young people to share in the wealth of tomorrow, we have a long way to go in terms of investing in skills, as my right hon. Friend the Paymaster General explained so eloquently.

Today, the single most important reason for economic inactivity is a lack of education and training. Our intermediate skills still do not compare well with those of our competitors. Indeed, just over one third of the UK work force have reached NVQ level 3 or equivalent, whereas three quarters of the German work force have done so. That is why the Bill is so welcome to the 7,500 young people in Hodge Hill. It provides nothing short of a 40 per cent. pay rise for those of our young people who seek a training-based option at 16.

Thanks to this Government, students from poor backgrounds who want to stay on at school can now access up to £30 a week in education maintenance allowance—a payment that does nothing to affect access to a range of other benefits. Yet those who take up a training allowance might receive as little as £40 a week, with their access to supplementary benefits disallowed. Given that income support currently stands at £43.25 a week, we can see that any such person, no matter what their ability or ambition to learn, would face a very difficult decision if they were experiencing hard times. We must change that. We must make sure that investing in oneself has a pay-off. We have to ensure that the right benefits are available to our young people, and maximise their chances of living a life off benefits.

Many Members from all parts of the House share a simple ambition for this country: that if we can find a shred of talent or potential in any of our young people, we should nurture it and invest in it, and help it to grow into something of pride and value not just to one family but to a whole community, and not just for a fleeting moment but for a lifetime. That is surely a worthy ambition for this House, which is why the Bill deserves unanimous support.

3.11 pm

Tony Baldry (Banbury) (Con): The hon. Member for Birmingham, Hodge Hill (Mr. Byrne) has made a thoughtful and interesting speech, and none of us would dissent from anything that he said. Many of us enjoyed walking round his constituency last year; getting to know a part of Birmingham that we had not hitherto known was an interesting experience. In 22 years as a Member of the House, this is the first time that I have taken part in a debate, other than Budget debates, to which Treasury Ministers are replying. Indeed, the Whips suggested to me that participating this afternoon would widen my horizons.

I want to make only three points, and I hope not to bore the House in doing so. The first echoes the comments of the hon. Member for Birmingham, Hodge Hill. I am fortunate enough, in my work with the International Development Committee, to travel the world fairly extensively. We often think of certain places as being poor, but if I were king for a day, I would try to ensure that as many people as possible visited China. There are cities and towns growing up in China of which we have not heard, and which are as large as, if not larger than, cities such as Coventry and Bristol. China's growth and its skills capacity are phenomenal, and it will challenge the competitiveness of Europe and the rest of the developed world in a way that UK and European business has not even begun to grasp. We think of countries such as India as poor, and some parts of it indeed are. However, places such as Bangalore are incredibly successful and high-tech. If we do not ensure that our young people acquire the maximum number of skills, Britain and Europe will fall behind; it is as simple as that. Unskilled and unqualified people will undoubtedly become unemployed.

[Tony Baldry]

My second point echoes the one that I made in an intervention. The Sure Start scheme is excellent, but perhaps we also need a "firm finish" scheme. We need an undertaking from the Department for Education and Skills that every youngster, at some stage in their school education, will have an individual interview with someone from Connexions who can go through all the options available to them. It is human nature for schools to want to encourage the maximum staying-on rate. Given the current capitation formula, the more people who stay on, the more money schools get, so they tend not to explain to youngsters that other opportunities exist, such as attending local colleges and doing NVQs, BTECs, national diplomas and various other training. I simply am not confident that such possibilities are pointed out to them. To be honest, nor am I confident that Connexions is even connected in my part of the world. The learning and skills council is an element of the machinery of government that still needs to be fitted in.

On paper, having a uniform and straightforward maintenance and support system for youngsters is a brilliant idea, but parents have got to be able to understand it. I hope that the Inland Revenue, perhaps with the help of the Plain English Society and others, will produce a booklet explaining to parents how the system works. Library briefing papers and other such documents tend to assume that all parents are rational, and that we sit down and think of all the options. Often, our children tell us what they want to do and we interact with them, and we must also remember that many parents have other dimensions to consider. They may have children with disabilities, they may be divorced or separated, or their children might themselves be carers. Life is not simple, therefore, and I hope that Treasury Ministers will undertake to produce for parents straightforward information that they can understand.

Mr. Kelvin Hopkins (Luton, North) (Lab): I am interested in what the hon. Gentleman is saying, and he is right to emphasise the role of parents. However, many parents are not competent in this regard—they are not fully literate or numerate—so the state has to intervene in such cases to make sure that young people get a good start. Will he not commend the Government for the emphasis that they have placed on teaching basic skills in primary education? That is the first base, which all children must get to.

Tony Baldry: We all want to enhance primary education. If the hon. Gentleman is right in suggesting that some parents have difficulties in that regard, that is all the more reason why we need to be confident that they understand the various choices available to them. Youngsters must not feel under pressure to leave school early because their parents or guardians do not believe that they have the financial resources to support them.

If we do not enhance our skills base, we will simply get left behind. Secondly, I hope that every youngster at some stage during their school career, before they take their GCSEs, can have a personal interview with a Connexions representative, who can go through the various options with them and ensure that they have some form of career and education plan between the ages of 16 and 19.

Thirdly, I hope that we can be confident that parents will be given some straightforward briefing, and I hope that it will be better than that given for the tax credit schemes. What I am about to say might sound rather portentous, but I am not sure that it is possible to say such things without sounding that way. I am fortunate enough to be a lawyer—a barrister—and I spend all my time construing documents, yet when people come to my constituency surgery with information on the various tax credit schemes, I find trying to understand it all harder than dealing with High Court pleadings. How ordinary people can be expected to understand it I do not know.

Mr. Frank Field (Birkenhead) (Lab): Is not the situation even more difficult when constituents appear in our surgeries with 15 different Government documents telling them what their tax credit is? If we as Members of Parliament cannot sort out such things, our constituents certainly cannot.

Tony Baldry: There are also cases of constituents getting different letters, dated the same day, giving different amounts.

This is a non-contentious Bill that commands support throughout the House, but perhaps the icing on the cake would be a really good straightforward booklet for parents, produced with the help of the Plain English Society and others, so that we can ensure maximum take-up of the benefits that the Bill seeks to provide.

3.19 pm

Iain Wright (Hartlepool) (Lab): I am pleased to follow the hon. Member for Banbury (Tony Baldry), not least because in his comments—which, like those of the hon. Member for Buckingham (Mr. Bercow), who is no longer in his place, were non-partisan—he tried to address the principal point of the Bill. As he said, we have a skills gap in this country and must deal with it in order to compete globally with the likes of China and India. I contrast the hon. Gentleman's welcome comments with those of the hon. Member for Chichester (Mr. Tyrie). He, too, is no longer in his place, but he tried to make a petty party political point.

The fact remains that since 1997, child benefit has increased from £11.10 to £16.10 for the first child. That is what really matters to parents out there. It amounts to something like a 50 per cent. increase in seven years. Perhaps I should declare an interest, as a father of four whose family receives child benefit. More important than my own personal experience, though, is that of the 8,700 families in Hartlepool who have benefited from the Government's child support schemes such as child benefit and child tax credit.

In my brief contribution I shall concentrate on the skills shortages in my constituency, and how the Bill will substantially improve the skills base for the Hartlepool economy. There is a huge anomaly in the present system, whereby child benefit is paid for 16 to 19-year-olds who stay in full-time education, but not for those who enter work-based training. That severely disadvantages young people who may not wish to go on to further or higher education, but choose to enter the employment market through unwaged training.

At the moment, choosing the route of unwaged training has a huge impact on the household budgets of families in which 17 or 18-year-olds are rightly expected

to pay board and lodgings in the parental home. In reality, that prevents young people from exercising real choice, and can push them down a route in life that they may not really wish to follow. That sort of conditioning or soft coercion prevents people from fulfilling their potential. I think that the Bill will help to eliminate that problem, and should therefore be welcomed throughout the House.

One of the true success stories for Hartlepool in the last decade has been the educational attainment of our schoolchildren. Last year, for example, Hartlepool schoolchildren provided the fastest improving set of key stage 2 results in the entire country. More 16-year-olds than ever before are now leaving school in Hartlepool with qualifications. I believe that the figures speak for themselves. In 1996, 12 per cent. of Hartlepool's 16-year-olds left school without any qualifications; in 2004, only 5.1 per cent. did that.

Despite those successes and improvements, significant basic skills deficiencies and vocational skill shortages remain in Hartlepool. There is a recognised difficulty in progressing people from low-level, community-based training and learning to high-level skills and jobs. Some specific groups in the community have real difficulty in accessing training opportunities. I am thinking particularly of young carers, of whom there are substantial numbers in Hartlepool. Many of those are 16 or 17-year-olds caring for a sick relative. Every penny counts in such households, and the Bill's provision to continue financial support for young carers to undertake work-based training will help to ensure that they are not trapped in a benefit rut for the rest of their lives through no fault of their own, because of their wish to care for their relatives. That must surely be welcomed.

Hartlepool was one of the areas that piloted the education maintenance allowance, whereby £30 a week was paid to young people and a bonus payment made at specific points in the year. The effect on the traditionally lowest-achieving and hard-to-reach groups was hugely positive. Not only did the EMA help to increase recruitment of these difficult-to-reach groups, it had a massive impact on retention, with people not only starting training but finishing the course as well. It also improved the attendance and behaviour of individuals. I would suggest that the use of EMAs in Hartlepool has been found to have tremendous benefits for the individual, for his or her family, for the local skills base and for society in general. The experience of my constituency suggests that the Bill will have hugely positive benefits in continuing and extending financial support for young people to continue training that they might otherwise have been unable to do.

Another of the Government's successes has been the reintroduction and encouragement of apprenticeships. In the large employers in my constituency, particularly Corus, the profile of the work force is curious. It includes men and women in their 50s or older who came through apprenticeships in the 1960s or 70s. There is then a wide age gap reflecting a lack of regard for apprenticeships, perhaps in the 1980s and 1990s. There may have been a change in fashion in that respect. Then we have young lads and lasses who have started work in the past five years or so. We need more apprenticeships in Hartlepool if the local economy is to flourish. Anything that encourages training and apprenticeships, or the prospects of entering into apprenticeships, as the Bill does, is to be welcomed.

I believe that the Bill complements and expands on the work done in the past seven years to break the cycle of despair, decline and neglect in run-down neighbourhoods, and to create an environment of hope, opportunity, choice and prosperity. The Bill will stand with such worthwhile achievements as Sure Start and the tax credit system. It will also facilitate the improvement of skills in my constituency and elsewhere, which is so necessary to bring about the sustained economic prosperity that will help the country to compete globally. I fully support it.

3.26 pm

Mr. David Ruffley (Bury St. Edmunds) (Con): I welcome the opportunity to speak in this important debate, for two reasons: first, to highlight the critical importance to this country of training, particularly vocational training, and secondly to highlight the pressing need for greater simplicity in the system of benefit and support for our young people.

The Government's March 2004 consultation paper, "Supporting young people to achieve: towards a new deal for skills" has many merits. The Government announced their long-term intention to create a single, simplified system of financial support for young people. The paper also announced short-term measures, which are largely contained in the Bill, including the extension of child benefit and child tax credit to unwaged trainees between the ages of 16 and 19, and changes to benefit and tax credit rules to ensure that young people who reach 19 before they have finished school or college continue to be eligible for benefits and tax credits until they complete their course.

The skills shortage reveals a lack of real attention on the part of successive Governments to the importance of achieving true parity of esteem for vocational training with academic education up to 19. That is an important issue and the Bill does something to deal with the problem.

There is a shortage of skills in this country, and we all see it in our constituencies. The hon. Member for Hartlepool (Iain Wright) eloquently drew attention to the problem in respect of the urban part of Britain. I represent a rural part of Britain where the problem is equally pressing. The two main towns in my constituency, Bury St. Edmunds and Stowmarket, would probably be described as market towns, and they have extremely low unemployment. There are many companies in all sectors that just cannot secure the necessary skilled labour. That is partly connected with the fact that there is a buoyant jobs market, but is also to do with a lack of ambition that has afflicted parts of the county of Suffolk for many years.

I am delighted to report, however, that there have been some sterling efforts made in my constituency in respect of technology status for schools. Stowmarket high school, under the leadership of an exceptional head, Mr. David Oliver, and his dedicated team of governors, pressed hard for technology status. The school understood that in the area of Stowmarket there was a huge and pressing need to skill up our young people from 14 onwards. There has not been a

[Mr. David Ruffley]

particularly marked appetite among GCSE pupils in the area to go on to university, but there is an appetite for getting high-quality vocational training. My sense is that all political parties in this country understand that it takes massive skill to be a first-class electrician, plumber, bricklayer or central heating engineer. Those are good and noble careers that require skill, dexterity and training. I could not do them, as I am clueless in practical matters. Governments of all political persuasions must do more to celebrate, support and talk up vocational training.

That should not be necessary. For example, Germany does not have the same problem. Any vibrant economy must have an appropriate mix of education. People who prefer the academic route need to be catered for, as do those who prefer the vocational route. In that context, I also want to take this opportunity to pay tribute to the other schools in my area—King Edward's, St. Benedict's and County upper in Bury St. Edmunds, and Thurston community college and Stowupland high school.

The battle continues to ensure that our economy has the skilled work force that it needs to preserve its record of economic growth, but some rather worrying statistics have been unearthed by the Learning and Skills Council, which recently published the key findings of its survey of the scale of shortages that obtained in February last year. The survey showed that more than one in 10 of the English work force—that is, 2.4 million workers—lacked the skills that they need to do their jobs as well as they should be done. One third of employers had no training plans to plug that skills gap, and one fifth of job vacancies—about 135,000 posts—remained unfilled because of lack of appropriately skilled applicants. The study also found that poor basic skills cost a typical business employing 50 people about £165,000 a year, and that employers in London were the least likely to offer employees adequate training.

The CBI and the TUC recently estimated the cost of the skills crisis to the British economy at a staggering £10 billion a year—that is, about £170 for every man, woman and child in the country. The Government's skills strategy document of June 2003 conceded that our skills gap had remained stubbornly persistent. The problem did not arise over the past seven years, but it has not been adequately addressed in that time. There is not much point in prating on about what happened in the 1980s and 1990s, because the remorseless demand for a greater competitive edge in this country over the past seven years is there for all to see. Global economic forces mean that we live in a more competitive economy than was the case even 20 years ago. I suggest therefore that it is more urgent for this Government even than for any of their predecessors to get a real grip on closing the skills gap with our competitors.

Mr. Hopkins: I am following the hon. Gentleman's speech with interest. We are all concerned about the skills gap, and he has pointed out that, although companies are desperately keen to employ more skilled workers, they are not prepared to train them. Does not that mean that the state must play a much greater role in ensuring that skills are developed, either by offering training itself or by compelling or inducing companies to do that?

Mr. Ruffley: I shall not be tempted down that path. My party is inveterately free-market, which differentiates it from the hon. Gentleman's. We believe in voluntarism and not the heavy hand of the state. Most of the time, when the state gets involved in such matters, it does a pretty lousy job and messes things up. That is especially true when it comes to work force issues.

One of the great successes apparently celebrated by the present Prime Minister and Chancellor of the Exchequer is the supply-side revolution of the 1980s and early 1990s. That success is not in doubt and is not contentious. It has been adopted by the Labour party as part of an economic consensus, although I agree that the social responsibility that employers should display voluntarily is not as evident as it should be.

Mr. Hopkins: Is not it obvious that voluntarism does not work? The most successful economies, even in the capitalist world, are those where the state takes a strong lead in developing skills and investing in them. Taiwan is a good example of what might be called guided capitalism, as opposed to laissez-faire capitalism.

Mr. Ruffley: The hon. Gentleman cites a selective example. The greatest job-creating economy on the planet is the US, which would not adopt a Taiwanese state-interventionist model. The facts support my choice of example, and not his. However, we can agree that some employers are not sufficiently responsible, even though they should understand that giving a work force the proper skills can be to their benefit and economic advantage.

I resolutely stick to a voluntarist model. The results will always be patchy, and we will never attain perfection in this area of human and economic endeavour. I believe that the heavy hand of the state is to be avoided, and that the hon. Gentleman's prescription is not likely to be adopted by Ministers for the time being. The very simple reason for that is that they understand that that approach was tried in the 1960s and 1970s and that it failed, whereas the Tory economic model of the 1980s and 1990s succeeded. That success laid the foundation for the economic growth currently enjoyed by our economy. We call that the golden economic legacy of my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke). The current Chancellor has not tried to unwind or reverse that legacy, which is eloquent testimony to its success. The—

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The House is enjoying these exchanges, but they are marginal to the content of the Bill. I hope that we can draw a line under them at this point.

Mr. Ruffley: That is not the first time I have been called marginal, Mr. Deputy Speaker. I had no intention of trying your patience, but I was led astray by the interesting—although now apparently irrelevant—interventions by the hon. Member for Luton, North (Mr. Hopkins). Even so, I hope that we have demonstrated that there is some common cause between us.

Recent figures show that output per hour worked in the US and Germany is about 25 per cent. higher than in this country. In France, the figure is more than 30 per cent. higher. The percentage of the British work force qualified to intermediate skills level—that is, apprenticeship, skilled craft and technician level—is low, at 28 per cent., compared with 51 per cent. in France and 65 per cent. in Germany. That is the measure of the skills gap.

The complexity of the current system was outlined by the Paymaster General and by my hon. Friend the Member for Chichester (Mr. Tyrie). It is the second aspect of training and the labour market addressed in the Bill, which, in fairness, does something to effect sensible reform. In the 2003 Budget, a wider review of support for 16 to 19-year-olds was announced, including financial incentives to participate in education and training. In March 2004, the Government published "Supporting young people to achieve", and no one can fault the ambitions set out by Ministers in that document.

The Government, we were told,

"is committed to ensuring all young people reach the age of 19 ready for higher education or skilled employment".

We heard about the Government's

"ambition for improving skills of young people"

and that the

"aim of this review is to ensure all young people aged 16–19 have the support . . . they need".

Those all fall into the category of motherhood and apple pie, but did the Government really do enough in the preceding seven years to deliver those ambitions? I suggest that they did not—for one simple reason. No doubt through high-minded intention, the Chancellor of the Exchequer has introduced many versions of in-work benefit and support, starting with the working families tax credit in 1997. With various tweaks and incarnations, the child tax credit and the working tax credit are now the two main in-work benefits. There are education maintenance allowances and a long catalogue, to which reference has already been made, of new initiatives.

The Bill speaks to the position of unwaged trainees, which is especially worthy of note and, in the panoply of changes, one of the more worth while. One of the key changes will be to the current rules, where for child benefit and child tax credit purposes, anyone under the age of 16 is treated as a child, and a young person aged 16 or over but under 19 is treated as a child if they are in full-time, non-advanced education. The Government believe that the current definition of a child in child benefit and child tax credit for 16 to 19-year-olds distorts choice, especially for those who are more likely to take the vocational route. Under the current system, they may be forced to take a course at a college rather than with a training provider, because of the existing differential—the additional financial support that is available. In the Bill, the Government have committed to extend child benefit and child tax credit to the parents and carers of unwaged trainees.

We support the proposals that I have just outlined; we also support the proposals on the age-19 cut-off. I shall not detain the House on those, but the regulations published on 10 January reveal that the Government have decided to use the age of 20 as the initial cut-off point, leaving open the option for a change in future if it is deemed necessary.

I close with some criticisms, which are, I hope, well judged, of the wider welfare and training policy that the Government are offering the country, in the light of the sensible changes in the Bill that I have conceded. In 1997, Labour promised to reform welfare and spend less on wasteful social security while maintaining spending on the sensible parts of what was then the social security budget but is now the budget of the DWP, such as pensions. One would have to be a complete idiot to say that cuts in social security should include the basic state pension and other pension benefits. However, the Opposition believe that, as the James review will make clear in the coming weeks, there is much useless, irrelevant and redundant expenditure in the DWP budget.

Welfare spending has increased by nearly a fifth in real terms since 1997, in clear defiance of the Prime Minister's promise that that would not happen. While spending on welfare and education has risen, recent research from the Library shows that the number of young people aged 16 to 24 who are not in employment or education has risen by 36,000 since May 1997. That may not be a huge increase, but it is not an impressive statistic. The figure would have been going down since 1997 if Labour's promises had been delivered. More than half the young people who are not in education or work—about 670,000—are defined as economically inactive: they are not actively seeking work. Despite the Labour party's rhetoric about prioritising education and skills—we remember that great slogan, "Education, education, education"—the CBI has reported that one in three companies has to provide remedial training for school leavers who have not sufficiently mastered reading, writing and arithmetic. That shames us all, and the Government would be well advised, while making sensible changes in Bills such as the one that we are debating today, to look at the basic skills of reading, writing and arithmetic in primary, middle and upper schools, as those skills precede vocational training. The statistics, however, are worrying.

My hon. Friend the Member for Havant (Mr. Willetts), the shadow Secretary of State for Work and Pensions, has rightly taken every opportunity to criticise the Government for reneging on their promises to reduce benefit payments. We will say something about that, as I have suggested, in the James review. Forensically and with great numerical distinction, the Conservatives have highlighted the failings of the Government's new deal programme, particularly for young people. My hon. Friend recently commented:

"Despite the billions of pounds that Labour have spent on the New Deal, there are now more than 1.1 million young people who are neither working nor studying nor training. This is the highest figure since Labour came to office. After all of Labour's talk about helping the young unemployed, why are so many young people being left behind?"

I do not dispute the Government's good intentions, and we are not suggesting that Ministers are acting in bad faith. However, they are failing to deliver on the new deal, as on many other things.

It is the policy of Her Majesty's Opposition to tackle the crisis in basic skills initially, although not exclusively, in schools. Pupils should be able to

[Mr. Ruffley]

specialise in meaningful skills education as early as 13 if they so wish. Also, they must achieve higher standards of reading and writing at a very early age. Our policy of entrusting school heads and governors with more freedom to improve their schools will deliver genuine improvements, giving schools more freedom over their financial management. In the 1990s, we saw the benefits of that policy in grant-maintained schools, which achieved better results because teachers in local schools knew how the money could best be spent to lever up standards. We will introduce other measures to improve the quality of teaching, including, for example, axing unnecessary paperwork. Since 1997, the average school head has received 12 pages of bumf from the Department for Education and Skills every working day. We would cut that material, and we would also reduce interference from appeals panels if a head wished to exclude an unruly pupil. There is therefore a package of measures at the heart of our efforts to improve training.

We will also reform welfare to give more practical help to unemployed young people. We will scrap the new deal, which has been an expensive failure. Only about a third of people who complete the programme find a sustained job and most of them end up back on benefits, according to the new deal summary statistics issued by the Department for Work and Pensions in December 2004. Statistics show that most people who find work while on the new deal would have found jobs regardless of that Government project. We will replace it with "Work First", a policy that allows private, voluntary and charitable providers to deliver employment advice more effectively. There is clear evidence from home and abroad that contracting out employment services to independent providers—but not in the lily-livered way espoused by members of the new Labour hierarchy—achieves much greater success at lower cost.

In conclusion, the Opposition welcome the sensible parts of the Bill, but we do not welcome the Government's record over the past seven years, as it has let down children and young people. More can be done to help them achieve their ambitions. It is vital to create a highly skilled work force that can adapt to the challenges ahead, including a viciously competitive global economic environment. It is not an option to say, "Stop the world we want to get off." It behoves politicians from all parties to have much greater ambitions for our young people. They are our future.

3.49 pm

Mr. Frank Field (Birkenhead) (Lab): I apologise for not being here for the opening speeches, but I shall in no way apologise if I repeat some of the themes that those on the Treasury Bench have outlined. Those themes are part of the celebration that we are having today. I wish to make two points in my short contribution. The first is to congratulate the Government, and to celebrate with them, on the achievement that the Bill symbolises. Secondly, as we are now into manifesto time, I want to suggest how some of the money might be even more effectively spent than it is currently.

To turn to the celebration, we need only cast our minds back to the last time a Labour Government introduced a child benefit Bill. They had revolts on their hands, faced chaos and withdrew the Bill. There was a major leak of Cabinet minutes and, under pressure, the then Government reintroduced the Bill and the introduction of child benefit followed. What a difference between then and today. There is now such agreement not only in the House but in the country on the importance of child benefit that, try as they may, even the Opposition do not have a case to make against the Government's proposals.

We therefore celebrate the transformation in parliamentary views on child benefit and the extension of child benefit to an older age group to reflect the important changes that are necessarily occurring in education and therefore its interrelationship with the labour market. We also celebrate the fact that, at long last, society is beginning to realise that raising children is a huge cost that is disproportionately borne by a small minority of the population at any one time. As my hon. Friend the Member for Hartlepool (Iain Wright) said, we all have a huge vested interest in making sure that parents do the very best possible job of raising the next generation and the people who will pay our pensions. If we cannot be interested for the right reasons, we can be interested out of self-interest.

Mr. Laws: The right hon. Gentleman will no doubt be aware of the paper that the Government issued last year that talks about a vision for supporting young people. It talks about support being dependent on household income and appears to suggest that there may be a shift from child benefit to a more means-tested system. Does he have any concerns about that?

Mr. Field: Indeed, I have concerns. The only rationale for the tax credit only side is to put it into place and then start dismantling the universal side of the welfare state. Clearly, one needs to be vigilant on this issue, but even though one must be concerned, that is not what is before us today. The Bill is about extending child benefit, so it is a day of celebration.

The hon. Gentleman is right to talk about what might be done in the future and what might be done about support for older children, but I want to consider younger children and our support for mothers. Today, we are also celebrating the influence that the most impressive Back-Bench Member of Parliament ever had on policy. I refer to the influence of Eleanor Rathbone, because when she rose to talk about child benefit, she did not receive a great deal of support from her colleagues. She talked about the importance of endowing motherhood and I fully understand, politically, why she let the campaign move from motherhood to family allowances and the transition to child benefit.

Like my hon. Friend the Member for Hartlepool, my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne) made a significant point about the importance of antisocial behaviour in our constituencies. Antisocial behaviour cannot be divorced from the way in which young children are nurtured. Parenting skills have been lost in many families in our constituencies, which is why Sure Start is important and we must redouble our efforts on that front. We first introduced child benefit, or more importantly family allowances, in a world in which mothers did not work, certainly in the early years of a child's life. It is now clear

that most mothers must work because of economic pressures, so I wonder whether we have the right balance between support for children in the first 19 years of their lives and that in the first two years.

When I examined the taxpayers' resources that are provided for children, I was surprised. If we add child benefit, the child tax allowances and the extension to 19 under the Bill, we are talking about a budget of £100,000 per child, which shows that a revolution has taken place in my lifetime from the support that existed. Given that we are in manifesto time and many, if not most, young mothers must go back to work, against their natural instincts, to keep their family finances together, might there not be a better way of spending some of that £100,000?

I hope to engage the services of the Clerks so that I can table an amendment on Report to provide that mothers could opt to take a quarter of that money tax-free during the first two years of their children's lives. That would mean that, if they did not want to work, they would not have to. Such a measure would be important for the welfare of our society because it would raise the financial position of mothers to a level that most women in my constituency could not command in the labour market. We would thus say that motherhood is financially more important than any other job that they could get, and I guess that they would opt for the payment. The scheme would not only interest women who have only the option of low-wage jobs, because it would allow women on higher pay to choose to return to the labour market later than at present. That might greatly influence increasing the importance of the nurturing of children, which is starting to be lost in our society.

Mr. Hopkins: Does my right hon. Friend have any statistics to show the number of women with young children who would wish to stay at home and look after them if they were financially able to do so?

Mr. Field: No, but given that the Government are rightly into choice, we would not have to worry about numbers. We would make the scheme an option and find out how many people went for a tax-free income of £25,000 during the first two years of their children's lives and how many were not interested and wanted to receive their child benefit and tax payments over the first 19 years of their children's lives. We are normally out of tune with what the voters want, so we might be surprised by the response.

I repeat that this is a day for real celebrations, certainly on the Labour Benches and hopefully among Opposition Members. It marks a transformation of the way in which taxpayers are called upon to support the minority who care for and nurture our children. However, the Bill will rightly increase the sums involved by covering all those with children up to the age of 19. When I asked the House of Commons Library about our investment in children up to the age of 19, I did not believe that it would be anywhere near £100,000. The fact that we are now discussing big money—thank goodness—opens up options for the first time. Do we want everyone, in a ration-book way, to have to draw money equally over each year of their children's lives, or should we use the Bill to offer real consumer choice to people who wish to draw down some of the money in the earlier part of their children's lives so that they can stay at home during that time and go to work when their children are involved in Sure Start, at nurseries or safely at school? This is a moment for real celebration.

I end as I began. Consider the change in opinion over time. The last time a Labour Government introduced a child benefit Bill, a huge, rocketing political debate took place in the country about whether we could have it, whether we should have it and whether it was an awful Bill transferring money from men's pockets to women's purses. Under pressure, the Government withdrew the Bill for a while. Fortunately, once the Cabinet minutes were published, the Government got back their courage and we got child benefit. Back in 1976, who would have thought that we would have another Labour Government introducing another Child Benefit Bill? Child benefit is now so accepted in the country as a necessary part of family support that most hon. Members are hard put to find serious reasons to disagree with what the Government are doing.

4 pm

Mr. Mark Francois (Rayleigh) (Con): I am pleased to sum up for the Opposition after an interesting debate. It is a pleasure to follow the right hon. Member for Birkenhead (Mr. Field) who, as the whole House acknowledges, always speaks with great authority on these matters. I am glad that he joined us in the debate today and look forward to referring in detail to his remarks.

I confess to a sense of déjà vu. Just before Christmas, my hon. Friend the Member for Chichester (Mr. Tyrie) and I faced the same two Ministers across the Dispatch Box to debate Second Reading of the Commissioners for Revenue and Customs Bill. Here we are, just after the return from the recess, debating further Treasury legislation, this time on the subject of child benefit. Before I come to the details of the Bill, I shall say a few words about the contributions to the debate.

The hon. Member for Wolverhampton, South-West (Rob Marris) spoke with his usual sense of humour and mentioned the history of some of the issues in his constituency. He advanced an argument about the problems of simplification and took as an example the Child Support Agency. I shall correct him gently, if I may. The problem with the change from CS1 to CS2 was not that the change was wrong in principle—it was right—but that the computer system purchased to deal with the change was deficient. The Government are trying to rectify the situation. An IT failure, rather than simplification itself, lay at the heart of the problem. He made a number of detailed suggestions for amendments to the Bill, which I saw the Whip on duty at the time noting feverishly. Knowing a little about how this place works, I congratulate the hon. Gentleman on volunteering for the Committee next week.

The hon. Member for Yeovil (Mr. Laws), who spoke for the Liberal Democrats, supported the Bill in principle. He pointed out that it could affect 160,000 young people. He agreed with us about the lack of clarity in the Government's figures relating to the cost of the measure and how they will measure the benefits that it produces. As I said in an intervention in his speech, it is ironic that a Treasury Bill, of all things, lacks accuracy on financial matters. It used to be said in some quarters that the traditional spending Departments

[Mr. Mark Francois]

were often bursting to bring in spending Bills and the role of the Treasury was to attempt to restrain them. It now seems that the boot is somewhat on the other foot and that the Treasury often introduces spending Bills of its own. I simply ask as a rhetorical question who now guards the guards.

The hon. Member for Birmingham, Hodge Hill (Mr. Byrne) made a thoughtful speech about his constituency, and spoke about skills—a common theme in the debate—particularly, in his case, in relation to science and technology. My hon. Friend the Member for Banbury (Tony Baldry) also stressed the importance of skills in a 21st-century economy and argued for clarity in the implementation of the new measures. He referred to his horizons being widened by participating in the debate, but I think that he helped to widen ours as well.

We then heard from the hon. Member for Hartlepool (Iain Wright), the newest addition to the House, who spoke mainly about his own constituency and how the Bill might affect it. It was the first time that I had heard him speak in the Chamber, but I hope that he will not mind me saying that, having heard him today, I now look forward to hearing him again.

We also heard from my hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley). He too stressed the importance of skills in a modern economy and particularly praised the valuable work under way in a number of schools and colleges in his constituency to help to foster that. I very much agreed with him that a key to all of this is to get the fundamentals of education in our schools right, because young people will be playing catch-up for the rest of their careers if they have not been adequately educated by the time that they leave school in the first place. I hope that there will be agreement on both sides of the House about the importance in principle of doing that, even if we disagree about the precise methods for implementing it.

I also very much agreed with the intervention of the right hon. Member for Birkenhead on tax credits. That is something that the Ministers here today have debated before, but he gave some relevant examples of where there are problems in the system. To be fair to the Paymaster General, I think that she acknowledged that from a sedentary position, so I hope that it will be possible to bring about changes in due course. The right hon. Gentleman also hinted at introducing an amendment on Report, which we all picked up on, and we should look forward to debating that in due course.

Rob Marris: Put him on the Committee.

Mr. Francois: I suspect that that may yet happen too.

My hon. Friend the Member for Chichester has already explained to the House that the Opposition do not oppose the Bill in principle and that we do not intend to seek to divide the House on it tonight. However, we will have some specific questions to ask in Committee about particular aspects and the attendant draft regulations, some of which I should like to touch on.

The Bill's genesis goes back several years, arguably to a report by the social exclusion unit in 1999. That then evolved over time into the Government's more recent consultation document, "Supporting young people to achieve", which was published last year alongside the 2004 Budget. Following on from the results of that consultation, the Bill extends the scope for those qualifying for child benefit in essentially two respects: first, by making it available to the families of unwaged trainees on named programmes of Government-supported training; and, secondly, by making it available to the families of 19-year-olds completing a course of full-time education or unwaged Government-supported training that was started before their 19th birthday—in other words, by extending the cut-off that currently operates at 19.

In themselves, those are not particularly contentious measures, but the Bill is not without fault. To begin with, it does little to reduce the overall complexity in the benefits system, which was laid out in some detail by my hon. Friend. The Government's social exclusion unit, in its 1999 report, "Bridging the Gap: New Opportunities for 16–18 Year Olds not in Education, Employment or Training", had already made the point that the system of financial support for young people was extremely complex, so the Government themselves have admitted that for some years.

If we then come forward to today, the Bill's wonderfully entitled "Supplementary partial regulatory impact assessment", published alongside the draft regulations just this week, effectively reiterated the complexity of the current system and then in paragraph 20 stated:

"Evidence presented to the Review showed that vulnerable young people lacked understanding of their entitlement".

We are therefore faced with a system that is already so complex that very few people understand it in detail and, in particular, there is a lack of understanding among those people to whom the system is directly meant to apply. I am not sure that the Bill helps to rectify that as best it might.

Moreover, the Government's consultation document described the proposed changes in the Bill as "interim measures", in lieu of a more fundamental review of the system of financial support for young people. The outcome of the review, as predicted by the House of Commons Library briefing note that accompanies the Bill, will be set out in the 2005 Budget. That is the Library's assumption, but could the Minister in his reply confirm that it is still the Government's intention to reveal their longer-term strategy on the whole issue in the 2005 Budget? We have some elements of the package, but we do not have the package in toto, and it would be helpful to know when we might receive it. I am not asking him to betray the date of the Budget, although that would be nice. As a planning assumption, the Budget announcement will be about two months today, and the Government therefore appear to be proposing to introduce an interim measure today that, according to their own draft regulations, would not come into force until at least April 2006, but which they are effectively planning will be superseded in two months' time in any event.

Rob Marris: The hon. Gentleman cited the Library brief, but with due respect, I think that he slightly mis-cited it. Page 16 states:

"It is expected that the Government will announce further details of its long-term vision of financial support for 16–19 year olds in the 2005 Budget."

I draw his attention to the words "further details". The Library does not say that it is expected that the Government will announce their long-term vision, but refers to further details.

Mr. Francois: I have two things to say to the hon. Gentleman. First, the Government's approach has been very disparate—we have had the information very incrementally. The Economic Secretary will appreciate that we are asking for the final package and I am seeking to tease out of him whether we are likely to receive that in the 2005 Budget. Perhaps he can throw some light on that point. Secondly, as the hon. Member for Wolverhampton, South-West chose to intervene on me, I hope that he will not think me uncharitable in saying that he was rather pushing the envelope in making his remarks about driving licences. I say to him charitably that we debated the Road Safety Bill yesterday, not today.

For the record, I appreciate that part of what the Government are seeking to do is to correct an anomaly in the already very complex system whereby parents of those aged 16 to 19 in full-time non-advanced education receive child benefit, while parents of those in the same age group who are unwaged training do not receive it. We can see what the Government are seeking to achieve, but is there not at least a practical argument for cutting to the chase and simply waiting two months for the overall answer and the entire package, if the Government are likely to come up with it, and to move forward from that stage?

The Opposition also have concerns about the timings for dealing with the Bill. This may be a relatively small Bill, but it is nevertheless an important one, not least to those who stand to receive the expanded benefit. That being the case, the Bill has many of the hallmarks of a rush job. First, it is largely dependent on a set of subsequent regulations that were issued only on Monday, along with the now famous regulatory impact assessment, and which did not allow much time for consultation with interested parties, at least on the regulations themselves, which form the heart of the Bill. Secondly, the Bill is now to be hurried into Standing Committee as early as Tuesday next week.

Why that headlong rush, not least for a measure that is not scheduled to be implemented for more than a year in any event? The conclusion has to be at least in part that this is an electioneering measure that the Government are desperate to get on to the statute book prior to an expected election in May 2005.

In addition, I ask the Economic Secretary what the Bill will do for the so-called missing million among our young people—the more than 1 million people mentioned by my hon. Friend the Member for Bury St. Edmunds who are not in employment, education or training. The latest figures, from the quarter August to October 2004, which were published by National Statistics as recently as December, show that the number of under-25s unemployed and not in education or training rose by 36,000 on the previous quarter, while the number economically inactive and not in education rose by 5,000—an increase of some 41,000 to give a new overall total of 1.118 million which is well over a million. That represents a sixth of our young people under 25, and has been described by the shadow Secretary of State for Work and Pensions, my hon. Friend the Member for Havant (Mr. Willetts), as a lost generation. It is not clear what this Bill, which is a relatively minor measure, will do to seek to address a problem that now exists on that scale and is a definite blot on the Government's record.

In reality, the Bill is yet another element in the Brownite agenda. It is not unworthy in its own right, but it has become just a very small part of a much larger game—the struggle between the Chancellor and the other spending Departments, including the Department for Work and Pensions, for control of the Government's social policy agenda in the run-up to the election. It is meant to be part of Brown's Britain, as opposed to Blair's Britain, Milburn's Britain or even Johnson's Britain. Unfortunately, the Bill that is being introduced today by this now obviously divided Government is a benefit Bill, but it is for the Chancellor's benefit rather than anybody else's.

4.14 pm

The Economic Secretary to the Treasury (John Healey): We have had a good debate this afternoon. Although the Bill is short and straightforward, it paves the way for significant improvements in the support that we provide for young people who continue in learning beyond the age of 16. The Government are determined to offer that support to allow all our young people to realise their potential, regardless of their financial circumstances. I am glad that the Bill has received a widespread welcome from organisations that take an interest in the field and, as I understand it, from both major Opposition parties, which have decided not to oppose it this afternoon.

As my right hon. Friend the Paymaster General has explained, the Government are committed to ensuring that all young people reach the age of 19 ready for higher education or skilled employment. Skills are important for the life chances, employment prospects and earning potential of individuals, but they are also important for the flexibility, productivity and competitiveness of our British economy. The Government are interested in all those matters. Intensifying international competition, accelerating technological change and changing patterns of consumer demand are all likely to increase the demand for higher level skills. By 2010, it is forecast that 80 per cent. of new jobs will require high or intermediate levels of skills and that 95 per cent. of them will require at least a level 2 qualification.

That is why young people moving into the work force must have a firm, strong skills foundation on which they can continue to build throughout their working lives. The Government have already taken steps to broaden the opportunities available to young people, and that is why we are reforming the curriculum and range of learning in England. To support that strategy, we must remove the financial barriers to young people staying in education and training after the age of 16, which is why the Chancellor announced the review of financial support for 16 to 19-year-olds in the Budget 2003, which was followed by the publication of the report "Supporting young people to achieve: towards a new deal for skills" alongside the Budget 2004.

Before I had the privilege of serving in the Treasury, I served as Minister with responsibility for adult skills in the Department for Education and Skills. In February

[John Healey]

2002, I visited the excellent further education college in the constituency of my hon. Friend the Member for St. Helens, North (Mr. Watts), where I met him, the principal and the student support officer. My hon. Friend was the first to raise with me the issues addressed by the Bill. He pointed out that families in St. Helens at that time were refusing to allow their children to enrol on work-based training schemes. Such families would lose benefits if their children enrolled, and the rules often led to family disputes over money. He also made it clear that young people refused to accept work-based schemes, even if such schemes were the best options. Many hon. Members have subsequently raised similar points, but the process started with my hon. Friend.

In his contribution, my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) underlined the historical and future importance of vocational skills in his region and recognised the value that the changes in the Bill will provide for young people in the west midlands who want to pursue training that is, at least initially, unwaged.

My hon. Friends the Members for Wolverhampton, South-West, for Birmingham, Hodge Hill (Mr. Byrne) and for Hartlepool (Iain Wright) described the skewed educational choices that young people are sometimes forced to make because of their family's financial circumstances. All hon. Members who have examined the issue closely or who have discussed the matter with local training providers will recognise the present problem. In my home town, Rotherham, we have a good learning provider called Morthyng. Last year, it supported some 1,500 people back into learning, 369 of whom were between the ages of 16 and 21. The company tells me that, last year, 55 young people rejected, at age 16, offers of work-based training places precisely because of the family loss of child benefit and tax credits, and in preference tried to take up college places because of the support that they would receive. The chief executive, Chris MacCormac, told me that, with the new Bill, the company estimates that it can support a further 55 to 90 young people a year in entering learning—learning that suits their needs, that will reduce drop-out, improve achievement and reduce the numbers of those not in employment, education or training locally by 10 per cent. year on year.

The story is the same for the excellent further education college in my constituency, Dearne Valley college, which draws students from Barnsley, Doncaster and Rotherham local authority areas. Barnsley and Doncaster were education maintenance allowance pilot areas; Rotherham was not. The college principal, Sue Ransom, reports that the impact of the EMA pilot in the Dearne area was significant. During 2002–03, it resulted in a 15 per cent. increase in the retention of EMA pilot students compared with non-pilot area students, and an increase of 26 per cent. in the achievement of the EMA pilot level 1 students over non- pilot students. My hon. Friend the Member for Hartlepool made similar points about his constituency.

That, in part, is the answer to the question asked by the hon. Member for Yeovil (Mr. Laws) about the likely behavioural effects of these measures—whether they will encourage people to stay on in education or take up unwaged training options.

Mr. Laws: Will the Minister give way?

John Healey: I will give way on that point, and then I should like to turn to the other contributions to the debate.

Mr. Laws: It may be that the Economic Secretary is coming to this point. Will he clarify how many of the 80,000 unwaged trainees' families will receive child benefit and the child tax credit, and how many may not receive it because of the way that the Government have defined the entitlement?

John Healey: I am indeed coming to the general point made by the hon. Gentleman and by the hon. Member for Chichester (Mr. Tyrie) about what they see as the weakness in the available information that we have been able to set out in the regulatory impact assessment.

I am happy to follow the hon. Member for Rayleigh (Mr. François). He made a mostly measured and serious winding-up speech, which I welcome. He noted some of the detailed matters that he intends to develop in Committee, and we look forward to that. I also welcome the declaration by the hon. Member for Chichester that the Conservatives will not oppose the Bill. The Paymaster General and I are rather accustomed to his style of debate. His speeches tend to be a series of detailed questions and narrow debating points. We hear nothing from him about what his party would do or how it might pay for its policies. Perhaps he has not recently had a conversation with his boss, the shadow Chancellor, who has made it clear that his party, in government, would spend and invest less of the national income in public services, that it would cut £35 billion from the spending plans that we have laid out up to 2008, and that it would offer no protection for learning and skills activities. Learners and learning providers will face cuts, and that includes the areas covered by the Bill.

The hon. Member for Chichester also mentioned age limits, a point raised by several other Members. I understand the concerns of hon. Members and organisations cited this afternoon about financial support for young people aged over 19. However, from the Government's point of view it is necessary to decide on a sensible point at which it is no longer appropriate to pay support to a young adult through the parents. We have separate arrangements to support adults in gaining skills and qualifications. The Government's view is that someone aged over 20 should come under the adult arrangements, but we will keep that under review and consider it in light of the initial reforms that we are setting out today.

I come to the information that is available and the confidence that we can have about any cost-benefit and behavioural effects—a point that was stressed by the hon. Members for Chichester and for Yeovil. I have to tell them that we all share the problem that there is a sparsity of information available about unwaged trainees—the group of people we are most concerned

with in this context. They are generally in small groups and are not easy to pick up in generalised surveys. Moreover, no one has specific responsibility for collecting data on them and there is no common source of data. Consequently, the RIA is a reflection of the best information that we have. As we improve the information we will certainly share it with members of the Committee and other Members.

I am pleased that the hon. Member for Yeovil gave a general welcome to the Bill. He said that it would be of benefit if the Department for Education and Skills was leading on it. I could ask him why he, rather than the hon. Member for Harrogate and Knaresborough (Mr. Willis), is speaking for his party. On his main serious point of principle, I can assure him that we will, in the long term, rationalise the system of support for young people. That is precisely what was set out in the joint Treasury-DFES report alongside the 2004 Budget. As he says, the Bill is something of a milestone towards that.

Mr. Laws *rose—*

John Healey: I had better press on, if the hon. Gentleman does not mind. I have already taken one intervention from him and I am keen to deal with the contributions of other Members.

My hon. Friend the Member for Birmingham, Hodge Hill clearly explained the decisions faced by young people in his constituency and how they may be penalised for taking up the option of unwaged training, as well as setting out the vision and imperative to raise skills levels in the economy and the danger to us as a nation if we do not.

I am glad that the hon. Member for Banbury (Tony Baldry) joined the debate. He cited China as a cautionary tale for us all, and eloquently made the point that increasingly in future those without skills will find that they are less securely employed and have their job and income prospects reduced. As for information, advice and guidance, the Department for Education and Skills has been looking closely at that issue and he can expect some indication of its thinking in the forthcoming youth Green Paper.

My hon. Friend the Member for Hartlepool spoke up clearly and strongly for his constituency. He recognised the increases in child benefit under this Government since 1997. I have to tell him that in April they go up again to £17 for the first child and £11.40 for any subsequent children. He also mentioned the expansion of modern apprenticeships. He is right—the number of young people in modern apprenticeships has more than tripled since this Government came into office.

The hon. Member for Bury St. Edmunds (Mr. Ruffley), who is again in his more accustomed place on the Front Bench, offered us a wide-ranging speech from which I took a couple of specific points. I congratulate Mr. Oliver and his staff at Stowmarket high school on their status as a new technology college. They are clearly making great strides under the Government's education policies, and I welcome that. He argued that the seriousness of the skills gap means that there is a role for the state in helping to fill it and a role for employers in making a greater contribution and being more socially responsible.

Mr. Laws *rose—*

John Healey: I will give way one last time.

Mr. Laws: I am grateful to the Economic Secretary for giving way in these last few minutes. I appreciate that he is trying to be helpful, but there is major uncertainty over one of the big issues in the Bill. The Government are saying that 80,000 young people are in unwaged training, but that only those on Government supported training schemes will get assistance through child benefit. How many of the 80,000 will have access to the additional benefits?

John Healey: There are 80,000 young people on unwaged Government-supported training schemes, and that is the number of young people who are potentially eligible for the measures that we are considering.

Let me deal with the comments of my right hon. Friend the Member for Birkenhead (Mr. Field). My right hon. Friend the Paymaster General and I look forward to hearing the advice that he receives about possible amendments on Report. He was right to celebrate not only the extension of child benefit for which the Bill provides but, as he put it, the transformation of parliamentary opinion on child benefit. He knows as well as anyone that part of the ambition and purpose of a progressive Government is to develop not only progressive policy but a consensus that will support that policy and render its dismantling more difficult in any future change of Government. I hope that he will perceive the support for the Bill from hon. Members of all parties as a further small step towards that.

Mr. Tyrie: I sometimes wonder whether the Opposition are the only people who read regulatory impact assessments—

Rob Marris: Excuse me!

Mr. Tyrie: And one or two more attentive Labour Back Benchers. Throughout the debate, I have asked for the Government's estimate of the total number of people who will be brought into training as a consequence of the measure. I still have not received an answer. That is the most basic information that we need if we are to spend more money on training. What is the answer?

John Healey: I explained earlier the precise problems that we experienced in getting accurate information to assess the behavioural effects with any confidence.

We expect to debate the more detailed points that were made this afternoon in Committee. However, I hope that the debate has made it clear that the Bill is modest but important. It reinforces our commitment to vocational education as equal in status to academic education. It removes barriers that may restrict or distort the choices of education and training that young people make. It encourages young people to choose

[John Healey]

learning that is best suited to their interests, aspirations and aptitudes, rather than basing the decision on the amount of financial support available. It increases the support that we offer to 16 to 19-year-olds as a step towards achieving our ambition for all young people to stay on in education and training until the age of 19.

I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

CHILD BENEFIT BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6),

That the following provisions shall apply to the Child Benefit Bill.

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall be brought to a conclusion on Thursday 20th January 2005.

3. The Standing Committee shall have leave to sit twice on that day.

Consideration and Third Reading

4. Proceedings on consideration (so far as not previously concluded) shall be brought to a conclusion two and a half hours after their commencement.

5. Proceedings on Third Reading (so far as not previously concluded) shall be brought to a conclusion half an hour after their commencement.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Margaret Moran.]*

The House divided: Ayes 312, Noes 183.

Division No. 31] **[4.32 pm**

AYES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael
Cook, rh Robin *(Livingston)*
Cooper, Yvette
Corbyn, Jeremy
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, Ann *(Keighley)*
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, rh Dr. Jack *(Copeland)*
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Ellman, Mrs Louise
Etherington, Bill
Ewing, Annabelle
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzsimons, Mrs Lorna
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Foulkes, rh George
Gapes, Mike *(Ilford S)*
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(Merthyr Tydfil & Rhymney)*
Healey, John
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Heppell, John
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Iranca-Davies, Huw
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Jon Owen *(Cardiff C)*
Jones, Kevan *(N Durham)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Sir Gerald
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kelly, rh Ruth *(Bolton W)*
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lewis, Ivan *(Bury S)*
Liddell, rh Mrs Helen
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
MacShane, Denis
Mactaggart, Fiona
McWalter, Tony

McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mamis, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Meacher, rh Michael
Meale, Alan *(Mansf'ld)*
Michael, rh Alun
Miliband, David
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Morgan, Julie
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Otner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Palmer, Dr. Nick
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Pluskitt, James
Pondi, Chris *(Gravesham)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quin, rh Joyce
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Roy, Frank *(Motherwell)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Shaw, Jonathan
Sheerman, Barry
Sheridan, Jim
Shipley, Ms Debra
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Singh, Marsha
Skinner, Dennis
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Starkey, Dr. Phyllis
Steinberg, Gerry
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Clwyd W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Turner, Neil *(Wigan)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Weir, Michael
White, Brian
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wilson, rh Brian
Winnick, David
Wishart, Pete
Wood, Mike *(Batley)*
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes: Jim Fitzpatrick and Margaret Moran

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, David *(Bmt'mth E)*
Atkinson, Peter *(Hexham)*
Bacon, Richard
Baldry, Tony
Baron, John *(Billericay)*
Barrett, John
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Brooke, Mrs Annette L.
Browning, Mrs Angela
Bruce, Malcolm
Burns, Simon
Burstow, Paul
Butterfill, Sir John
Cameron, David
Campbell, Gregory *(E Lond'y)*
Campbell, rh Sir Menzies *(NE Fife)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Cran, James *(Beverley)*
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Doughty, Sue
Duncan Smith, rh Iain
Evans, Nigel
Fabricant, Michael
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
George, Andrew *(St. Ives)*
Gibb, Nick *(Bognor Regis)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Goodman, Paul
Gray, James *(N Wilts)*
Green, Damian *(Ashford)*
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hawkins, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Holmes, Paul
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Jack, rh Michael
Jackson, Robert *(Wantage)*
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Letwin, rh Oliver
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Llwyd, Elfyn
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Maclean, rh David
McLoughlin, Patrick
Maples, John
Mates, rh Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
Oaten, Mark *(Winchester)*
O'Brien, Stephen *(Eddisbury)*
Opik, Lembit
Osborne, George *(Tatton)*
Ottaway, Richard
Pickles, Eric
Pugh, Dr. John
Randall, John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swire, Hugo *(E Devon)*

Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Walter, Robert
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Gregory Barker and Mr. Mark Prisk

Question accordingly agreed to.

CHILD BENEFIT BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Child Benefit Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase attributable to the Act in the sums which under any other Act are payable out of money so provided.—*[Jim Fitzpatrick.]*

Question agreed to.

PETITIONS

Radio Mast (Caersws)

4.47 pm

Lembit Öpik (Montgomeryshire) (LD): This petition comes from residents of Caersws, Llanwnog and the surrounding area. It

Declares total opposition to the 15.0 m radio mast located by Manthrig Lane in Caersws, whether it be used for TETRA, for which the application for Planning Permission was originally made on behalf of mmO_2 . . . or for any other communications purpose . . . which the Petitioners understand may be the intention of the mast owners (Crown Castle UK Ltd). It is the Petitioners' belief that all such technology poses a serious health risk to public safety, and that studies into this have been insufficient. The Petitioners further declare that there is an existing mobile phone mast on the corner of Manthrig Lane, thirty yards from the aforementioned 15.0 m mast, and that the latter is adjacent to both a Doctor's surgery, and a home for patients with learning difficulties.

The Petitioners therefore request that the House of Commons urge the Government to demand the dismantlement and removal of the Caersws mast for the reasons aforesaid.

And the Petitioners remain, etc.

To lie upon the Table.

Public Halls (Castle Point)

4.49 pm

Bob Spink (Castle Point) (Con): This is a most important petition. At a time when the Government are forcing a ridiculous 4,000 additional houses on our already overdeveloped borough, we need more, not less, investment in infrastructure and public facilities. Our public halls belong to the people of Castle Point, not to the council, and must continue to be made available to all user groups—from Eddie Stacey's caring Phoenix club for the disabled to the spectacularly successful Rock-Ola rock 'n' roll club; from Richmond Hall mothers and babies group to George Hogbin's club for the blind. There are many worthy and hard-working councillors who are doing all they can to ensure that our access to our halls is guaranteed to all groups who use them, at no increased cost. I thank and congratulate each and every petitioner.

The petition states:

To the Honourable the Commons of the United Kingdom of Great Britain and Northern Ireland in Parliament assembled

The Humble Petition of Mr. and Mrs. Gibbs and others of like disposition sheweth

That the closure of public halls in the borough of Castle Point would create difficulty for many groups that currently use them as meeting places, and would take the heart from the community.

The Petitioners are particularly concerned for older people's groups and the blood transfusion service.

Wherefore your Petitioners pray that your Honourable House shall urge the Government to enjoin Castle Point borough council to abandon any policy involving the closure of the borough's public halls.

And your Petitioners, as in duty bound, will ever pray.

To lie upon the Table.

EU Objective 1 Regions

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Jim Murphy.]*

4.51 pm

Andrew George (St. Ives) (LD): I am delighted to have a good amount of time in which to explore the future of EU objective 1 regions. This issue is of concern to many Members, particularly those representing constituencies on Merseyside and in South Yorkshire, in West Wales and the Valleys, and in the Isles of Scilly and in Cornwall, where my own constituency lies. Indeed, I hope that the Minister will take on board the concerns of people living in Cornwall and the Isles of Scilly, a region whose needs I particularly want to emphasise. Unlike other existing UK objective 1 regions, it would clearly be eligible for a further round of objective 1 funding under the next programme. I hope that the Minister recognises that fact and will reflect it in her response.

The purpose of this debate is to explore the UK Government's negotiations with other EU member states and the Commission concerning plans for the future of EU objective 1 regions in Europe as a whole, and in particular how those plans will impinge on the UK's existing objective 1 regions. The Minister is well aware of my concern, which is shared by all existing UK objective 1 regions and other regions that might be eligible for transitional relief under the next programme, after 2006. Under the Government's existing proposals, there is no certainty about the duration of the funding regime or the extent of funds available under future regimes.

It will help the House if we remind ourselves of the EU's proposals following publication of the third cohesion report last July. Full objective 1 status—to be called convergence status—is proposed for regions that fall below 75 per cent. of the average gross domestic product of the EU 25. Cornwall and the Isles of Scilly, which has a GDP of 65.3 per cent., looks set to qualify as it is well below that level. Significantly, no other existing objective 1 region falls below that level. However, within convergence there will also be a lesser package for regions affected by the so-called "statistical effect". It will perhaps be worth about two thirds of the value of current programmes. As I understand it, West Wales and the Valleys, Merseyside, the Highlands and Islands, and Tees Valley and Durham would qualify for that, according to currently available figures. However, Merseyside and Tees Valley and Durham could, with just small increases in their GDP, fall outside the scheme.

As the Minister knows, there is also a smaller transitional package within objective 2, to be called competitiveness, for national growth regions. It is perhaps worth about half of the current programme value: South Yorkshire is currently eligible and Merseyside may become eligible in future. There is also the money via national Governments for all other parts of the UK in respect of national employment policy.

The Government, of course, want to engage themselves in the question of the EU budget as a whole. The EU proposals are based on a budget of 1.14 per cent. of the member state's gross national income, but the UK and five other large contributors want a budget of just 1 per cent. I know that the Minister and her colleagues are pressing for that. It would leave a hole in the EU budget of about €115 billion. As the Minister knows, if the EU budget is reduced, structural funds are likely to be in the firing line.

Mr. Kelvin Hopkins (Luton, North) (Lab): A simple way to reduce the budget would be to have a substantial cut in agricultural support under the common agricultural policy.

Andrew George: I have a great deal of sympathy with that. I believe that many aspects of the common agricultural policy are unjustifiable and I certainly hope that Ministers, as well as considering the structural funds, are looking into renegotiating the overall CAP budget. As I understand it, negotiations are carrying on in their usual form, so I presume that the whole budget is in the air. The previous agreement on the future of the CAP was hard fought and hard won two years ago, but I agree with the hon. Gentleman that the CAP should be brought into the negotiations again now.

Ms Candy Atherton (Falmouth and Camborne) (Lab): Are the Liberal Democrat Front Benchers making a pledge to match the Commission's proposals in the next manifesto?

Andrew George: The hon. Lady knows perfectly well that the Liberal Democrat shadow Chancellor has made a commitment to honour the eligibility of existing EU objective 1 regions in any future programme. That commitment was made only a few weeks ago, as I am sure the hon. Lady is aware. I am grateful to her for allowing me the opportunity to make that clear.

The Government have made alternative proposals, which the hon. Lady supports. She is on record as agreeing with the proposition that the UK should take back the currently available money—

Ms Atherton: I will always work to secure the best deal for Cornwall, and I hope that the hon. Gentleman will accept that. If the best deal comes from the British Government, I will fight for it. If it comes from the European Commission, I will fight for it on that basis, but we do not know where the best deal will come from. At the moment, however, the best deal on the table is coming from the British Government.

Andrew George: Unfortunately, the hon. Lady did not speak long enough for me to look up what she said in a debate on 15 June last year. As she knows, she supported the Government's proposals to repatriate funds to the UK. It is all very well her saying that she supports that proposal—but I can now quote what she said in the House on 15 June:

> "I ask Ministers to think creatively over the next few months. I will be supportive of their plans to, so to speak, get our money back."—[*Official Report*, 15 June 2004; Vol. 422, c. 730.]

She cannot retract those words, which are on the record.

The problem that I want to explore in this debate is that the promises and so-called guarantees that the Government have offered since the proposals were first put forward in September 2003—the relevant

[Andrew George]

consultation document was issued in June that year—do not contain anything that provides the equivalent of the present funding extended to objective 1 regions. Moreover, they do not undertake to provide the funding over seven years, plus the two-year transitional period, that the EU makes available to the same regions.

The hon. Lady supports the withdrawal of support. We need cast-iron guarantees that future funding extended to Cornwall will be equivalent to what is available under existing EU objective 1 programmes, and that that money will be available for the same seven-plus-two year period. In addition, the Government must assure us that Cornwall and the Isles of Scilly can continue the successful partnership that has been established. We must make the Government understand that Cornwall desperately needs and deserves that.

Matthew Taylor (Truro and St. Austell) (LD): When the Minister discussed these matters in one of the Committee Rooms, it turned out that there were no guarantees to be had, even though the Government had used that word previously. There were no guarantees that the funding would last as long as the EU money, or be equivalent in amount—or, crucially, that it would be dedicated to expenditure in the area. The Government are unable to give such guarantees because they do not operate on a Budget time scale of seven years or nine years, whereas the EU can give a commitment for that length of time. Therefore, is it not clear that neither the Minister nor the hon. Member for Falmouth and Camborne (Ms Atherton) supports a deal of the same value or strength as the one that Cornwall currently enjoys? That is reflected in the fact that Labour local authorities around the country, and other Labour Members, have been far more critical of the Government on this matter.

Andrew George: I could not get to the meeting to which my hon. Friend refers because of the debate on hunting, but I have checked all the relevant correspondence, and what he says is true. For example, on 16 December I asked the Economic Secretary to commit himself to guarantee that places such as Cornwall and the Isles of Scilly would get the same level of funding over seven years as was available to them from the EU. In response, he promised that

"UK nations and regions will not lose out as a result of those reforms in Europe."—[*Official Report*, 16 December 2004; Vol. 428, c. 1193.]

What does the phrase "UK nations and regions" mean? The hon. Member for Falmouth and Camborne knows well—and my hon. Friend knows it even better—that Cornwall is a region for the purposes of Europe, but not for the Government's purposes. It is subsumed in the south-west Government zone. It may be called a region, but it is not treated as such. It has no integrity, and there is no community of interest. It represents bureaucratic convenience, and that is why I call it a "zone". I fear that the expression means only that the money will go to Government quangos operating in Cornwall, and will not get to those who richly need and deserve it. All the partnership work that has succeeded so well over the past five years will be lost if the money is not given to the people on the ground in the objective 1 regions.

These are matters of deep concern to many people. The Minister for Trade and Investment wrote to me on 15 November last year, and said that the Government's commitment to the UK's nations and regions meant that

"we guarantee that if our proposal were adopted, we would increase domestic spending on regional policy so that they did not lose out from our proposals. In all cases, the Government have committed that this will be additional to expenditure already planned."

That is helpful and reassuring, but there is no commitment on the seven-year time frame. Of course there will be more money for regional aid as a result of the repatriation of funds, and it is reassuring that the money will, I hope, be disbursed in that way, but there is concern that the funds will not be used effectively in the areas that would be eligible for regional aid during the seven years from 2006.

Matthew Taylor: A further point is that European objective 1 funding is awarded on the basis of match funding from Government, so it has a value far beyond the amount to which the EU commits. However, there are no guarantees that the Government will provide the equivalent match funding, let alone that they will ring-fence it, for objective 1 areas such as Cornwall. Not only could the money be spent elsewhere in the region, it may actually not be spent at all. Technically, objective 1 might be matched—although there is no guarantee—but even if it is, there is no guarantee that the rest of the funding that it should bring will be provided. The Government are making a very different proposal, with none of the guarantees that the Minister likes to suggest.

Andrew George: I strongly endorse my hon. Friend's comments. The Government promise that countries and regions of the UK will not lose out, but there are serious concerns about the so-called guarantee. That "not losing out" is against an imaginary comparator, and there may in fact be a net reduction of between 55 and 65 per cent. in the current receipts. The guarantee is general, calculated across the UK; there is nothing specific to any area. It is not aimed at Cornwall, West Wales, South Yorkshire or anywhere else.

As my hon. Friend said, there is no mention of how match funding will be handled. In the current objective 1 programmes for the UK, match funding doubles the value of EU structural funds. In Wales and Scotland, the extra money would go to the devolved Administrations—rightly so—but they are not required to spend it in a particular area, or even necessarily on regeneration.

In England, distribution would probably be through the regional development agencies, and there is no guarantee that they would spend the money in the neediest areas or in those that currently have objective 1 status, nor that they would recognise the needs of those regions. The Government have not yet sufficiently explained how their plans for, or commitment to, a seven-year lifespan will be delivered.

Let us consider the figures for the EU as a whole, and for the areas in the 10 accession countries that could have objective 1 status. Some regions of the Czech Republic, Poland, Bratislava in Slovakia, Slovenia, Malta and Cyprus will all receive objective 1 funds, yet their gross domestic products not only exceed that of

Cornwall and the Isles of Scilly but exceed it to a large extent. That is an obvious injustice. The Government appear not merely to be signing up to, but to be the main protagonists for, a system whereby Cornwall would not receive objective 1 aid, yet regions in accession countries that are not as poor as Cornwall would benefit from such aid. That is wrong.

If the Government want to stick to the 1 per cent. proposal—and one can understand why—they could adopt the negotiating position that objective 1 regions will be determined purely on their merits, irrespective of whether they are in accession states. If the Government accepted that alternative, there would be a greater likelihood of equity in the system.

When we have debates on the subject there is always a scramble to claim credit for achieving objective 1 status, and no doubt the notes that the Minister will read out later will say that it was all thanks to the Labour Government. I am grateful to the Government, who were among the large number of contributors to Cornwall's success in achieving objective 1 status. The then MEP, Robin Teverson, and the local authorities worked hard. The people of Cornwall marched and campaigned, and the quiet statisticians of Eurostat, Cornwall county council and elsewhere made the arguments for achieving technical change, particularly the statistical separation of Cornwall and its relatively wealthy neighbour, Devon. All those people made a significant contribution to getting the objective 1 status that Cornwall and the Isles of Scilly richly deserved.

Ms Atherton *rose—*

Andrew George: Here is someone else who made a contribution.

Ms Atherton: It was kind of the hon. Gentleman to remember that. He is right that there was broad coalition of people who campaigned to achieve objective 1 status for Cornwall. However, does he not agree that the critical thing in making it happen was the political push by the Government, and in particular the Prime Minister?

Andrew George: I was told by the regional chamber—a quango—that it was all thanks to them. Everyone's contribution was critical. The Prime Minister's support was important, but there was a partnership and no single contribution was more important than any of the others. Cornwall was clearly eligible as the poorest region in the UK, so it was a question of whether anyone was going to stand in the way of something to which it was richly entitled.

Llew Smith (Blaenau Gwent) (Lab): Is the hon. Gentleman therefore saying that the introduction of objective 1 happened to coincide with the election of a Labour Government?

Andrew George: It did not entirely coincide. I agree that the prospect of success was greater with the change of Government, but I was involved in the objective 1 campaign before the 1997 election. Cornwall needed to achieve statistical separation to make its case for objective 1 status. Under the previous programme, we were entitled to objective 1 status, but we did not achieve the statistical separation for Cornwall to be considered as a NUTS 2 region.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): While we are in the business of giving credit where it is due, as the hon. Gentleman knows, Merseyside was the first English region to secure objective 1 status. Credit ought to be given to the then European Commissioner, Bruce Millan, and his chef de cabinet, Graham Meadows, who is still a member of a Brussels directorate, as they drove through the original idea of objective 1 for the English regions.

Andrew George: I entirely agree, and had dealings with both men, especially Graham Meadows, as I was involved with the 5b programme in Cornwall before we achieved objective 1 status. We should not forget the members of the European Commission who made a significant contribution to the process. Whoever claims credit for objective 1 status, we are entitled to ask questions. The poverty of Cornish people was the primary driver for objective 1 status, and it was for them that it was won. We should be concerned primarily with serving them, and I want to ensure that that is the case after 2006, as that is what the Cornish people richly deserve.

Mr. David Watts (St. Helens, North) (Lab): I agree with the hon. Gentleman, but does he not agree that when objective 1 was created in Merseyside—the first area to enjoy that status—the major problem was that the then Government would not provide the match resources, so what we had was substitution? Half the resources being spent in the programmes in Cornwall and everywhere else are being doubled up by the UK Government's regional policy. That is to the credit of this Administration.

Andrew George: I agree that objective 1 does not exist unless there is public match funding. If a Government, having signed up to objective 1 programmes in certain regions, did not match the funding, that would be a failure. The fact that this Government have largely honoured the promise that they made to match the funds is very much appreciated. I am sure that it is appreciated in Liberal Democrat Merseyside just as it is other regions.

The objective 1 programme in Cornwall has been a significant success. When we compare Cornwall with—dare I say it in the presence of those representing these regions—other objective 1 regions, we see that it has met its targets for commitment and spend. Significant projects have been funded in Cornwall as a result of objective 1. For example, there has been the rolling out of broadband and the Combined Universities in Cornwall has its hub and rim around the county. Objective 1 has also made a contribution to the Eden project.

There have been many other significant contributions to projects around Cornwall, but the full effect of objective 1 and the investments made through the programme are not yet being fully felt. Clearly the gross domestic product of Cornwall has not yet reached anywhere close to the 75 per cent. level of the EU 25 average, so there is still more work to be done.

[Andrew George]

On overall funding, and as a slight interlude, I should point out that problems still exist with the programme, and the partnership in Cornwall has been working heroically to overcome them. They are partly the result of the complexity of the system, but also of the way in which it dovetails into the many other area-based initiatives that the Government are offering. We are grateful for them.

For example, in Cornwall and the Isles of Scilly, among the many initiatives, we have objective 1 integrated area plans, the much-appreciated neighbourhood renewal programmes and health action zones, the healthy towns initiatives, healthy living initiatives, market town initiatives, coastal town initiatives, vital villages, Sure Start, the Cornwall action team for jobs—[HON. MEMBERS: "Labour."] We also have neighbourhood nursery schemes, the parish paths partnership, partnership development funds, the skills development fund, the rural key fund, rural renaissance initiatives, the community champions fund, community chest, the community empowerment fund and the safer communities initiatives. [HON. MEMBERS: "Labour."] I have named just a few, and if Labour is claming credit for all of them, it should provide a strategy in which to deliver them.

Unfortunately, we have initiative fatigue in many areas, because so many bodies, visions, missions and committees have to be set up with the same people sitting on the same committees to manage little pots of money. I am not saying that we are not grateful, but it would be far better simply to devolve the pots of money and allow local communities to determine how best to revive themselves.

Mr. Kilfoyle: I am not going to claim credit for Labour, because its record speaks for itself in Cornwall and in other areas. The hon. Gentleman mentioned the Eden project, so could he enlighten us on what proportion of the costs of that major and, as I understand it, very successful project was met out of objective 1 funding? Could he give us an indication of the other public funding streams that were used to supplement it?

Andrew George: I am grateful for that question. Actually, the project is not in my constituency but in that of my hon. Friend the Member for Truro and St. Austell (Matthew Taylor), who was in the Chamber a moment ago but had to leave to chair a meeting. The total project costs of the Eden enhancements were £38.5 million, and I understand that the public sector contribution was in the region of £15.5 million. However, those figures relate to the second phase of the Eden project development.

The Government's regional co-ordination unit in the Cabinet Office has identified that more than 100 partnerships are operating in places such as Cornwall under area-based initiatives such as those that I described. I estimate that if we take into account all the money available through objective 1 and the various initiatives funds—all of them, whether through economic, social or infrastructure development are designed to address social exclusion—we are looking at a budget of £650 million over the next five years, which is made up of EU money, largely, and also match funding. Such funding is the equivalent of giving each of the 500,000 inhabitants of Cornwall £1,300, or of giving more than £100,000, or £20,000 a year, to each of the most deprived 5 per cent. of Cornwall's families.

Problems arise when projects, especially smaller ones, try to interface with the objective 1 programme. The difficulties are due not to the programme officers but to the obstacles involved in accessing the programme and the tests that must be met. The gathering of match money so that a project can get off the ground is especially difficult. If the figures that I cited are the amounts available to people who are socially excluded in Cornwall, we could ask them whether they would prefer to receive funding in the form of vouchers to the value that I described, or a labyrinthine system that is difficult to access. The programme teams are working heroically to overcome the bureaucratic challenges that the Government and Europe have set them, but it is a fact that a lot of the aid is being spent on bureaucracy, consultants and facilitation, although I accept that facilitation is necessary to overcome the hurdles that have been set up.

Ms Atherton: The hon. Gentleman makes important points about bureaucracy, which none of us want, so does he welcome the fact that the UK Treasury is meeting key partners from Cornwall to find ways to ensure that match funding and core objective 1 money—whatever it is called and however it arrives—get to the parts of Cornwall that we want them to reach?

Andrew George: Absolutely. I have been taking up my worries about area-based initiatives and the complexities that have been created for some time, which is why I was keen for the Cabinet Office regional co-ordination unit to acknowledge that there were problems with the bureaucracy surrounding the system. I suppose that the situation is in a way caused by the successful creation of many development programmes and area-based initiatives, but the complexities and problems that I have tried to describe have come with that. If the Treasury and the Government intend to introduce an initiative to try to iron out the problems of bureaucracy and delivery and to devolve responsibility so that people on the ground can make decisions, I will say, "Alleluia," and strongly support it.

Lembit Öpik (Montgomeryshire) (LD): Government Members are keen to trumpet the success of Labour, but I feel moved to remind my hon. Friend and the House of the enormous problems that the Labour Administration in Wales had not so long ago, when they seemed unable to deliver proper commitments from Westminster Labour Ministers to secure funding. Does he agree that one of the biggest problems that we have in Wales is the fact that to this day there has been no statement from the Government giving us an assurance of the same kind of long-term funding security as is necessarily present in the arrangements that come directly from Europe?

Andrew George: I entirely agree. There have been acknowledgements, and in the consultation document circulated by the Treasury following the pre-Budget report in December there is a proposal to examine the

delivery mechanisms, but even in that document there is no commitment to address issues of delivery of Government funds beyond 2008.

Mr. Kilfoyle: On delivery mechanisms, perhaps the hon. Gentleman and I should have a conversation outside this place about the failure of the Liberal Democrat council in Liverpool to deliver anything meaningful under objective 1. The money has been made available by national Government and by the European Commission, but there has been a catalogue of total and abysmal failure by the Liberal Democrats on Merseyside to deliver a single flagship project.

Andrew George: I shall be happy to have a discussion with the hon. Gentleman outside this place, if he wishes—a discussion, I say. He needs to reflect on the fact that the Liberal Democrats cannot be doing too badly, as they keep getting re-elected in larger and larger numbers.

Chris Ruane (Vale of Clwyd) (Lab): The hon. Gentleman just concurred with the Member for Montgomeryshire (Lembit Öpik) on what he called the failure of the Westminster Government to give match funding to Wales. May I point out what actually happened? The Opposition in Wales were deliberately trying to stir the political pot ahead of the comprehensive spending review to get the Chancellor to reserve funding for Wales, which he was not prepared to do. After the CSR, hundreds of millions of pounds of match funding were made available to Wales. We delivered on objective 1 and we delivered the match funding in Wales.

Andrew George: Labour also delivered a change in the First Minister in Wales. I am happy to let hon. Members settle their political scores in their regions if that is what they wish to do, but I think scores are better settled, as I will do with the hon. Member for Liverpool, Walton (Mr. Kilfoyle), outside the Chamber. The hon. Member for Vale of Clwyd (Chris Ruane) should see my hon. Friend the Member for Montgomeryshire outside the Chamber to settle scores.

Lembit Öpik: I accept the challenge to settle the matter outside, perhaps in the Strangers Bar. However, I remind the House that a large number of Labour Assembly Members called for the resignation of the right hon. Member for Cardiff, South and Penarth (Alun Michael) when he was First Minister on exactly the basis under discussion. It was not the other parties alone. It was Labour Assembly Members who said that because he had failed to secure assurances from Westminster, he should go—so the blame cannot be pinned solely on the Opposition.

Andrew George: My hon. Friend supports my point. I hope Labour Members will reflect on that.

Let us consider the successes in Cornwall and the Isles of Scilly. If the Minister accepts that all the partners in Cornwall and most of the politicians in Cornwall wish to retain objective 1 status beyond 2006, she can be reassured that in return for the guarantees that we seek from the Government, there will be a guarantee from Cornwall that we can deliver on our programme, just as we are doing now, but it is important that she should understand that we need to target economic regeneration resources at Cornwall and the Isles of Scilly. We need to own our own numbers, as it were. We need to have territorial visibility. We need to have structures that, as now, actually work. It will not help Cornwall and the Isles of Scilly to have a programme that is operated from an office in Bristol, Taunton or anywhere else, because that will not help its delivery in the place that most needs it. There is an important distinction to be made between a genuine region such as Cornwall and a Government zone such as the south-west. The delivery programmes that might be operated in each are necessarily very different.

There is also support for the role of the partnership, and one of the points made by those operating the programme in Cornwall is that we now have something that has not happened successfully enough in the past—public, private and voluntary sectors working together, not only in the preparation of the programme but in its delivery. The private sector now articulates very directly to the public sector what it requires on training, for example, and in other spheres as well. An integrated programme is operating in an area where it is deliverable, and it would be unfortunate if the Government threw out the opportunity to maintain that and allow Cornwall to continue the economic regeneration and success that it has achieved in recent years and carry it forward beyond 2006.

Mr. Watts: I understand the hon. Gentleman's concern, but does he not acknowledge that he has held meetings with Ministers who have made it clear that although the decision has not been taken on whether to have a nationalised or a European programme, there will be a programme for Cornwall in the future? On the same management point, does he further acknowledge that on a number of occasions the Minister has made it clear that she would like to discuss these issues in more depth to ensure that there is as much flexibility as possible, but there must be local, national and European accountability, so there will have to be structures there. I should have thought, though, that the hon. Gentleman could take some comfort from the fact that, since 1997, the Government have delivered on all those programmes and put a tremendous amount of new resources into helping areas such as Cornwall and Merseyside.

Andrew George: The hon. Gentleman must also recognise that, just as we had the discussion earlier about claiming credit—I can assure him that the South West regional assembly which is not an elected or accountable body, still claims credit for having achieved objective 1 status for Cornwall—in exactly the same way, Cornwall has had to fight all the way to achieve what it has achieved so far, and to achieve what it has achieved within the programme. The commitments made, which he will have heard me enunciate earlier, if he was in the Chamber, when I quoted letters and statements made by Ministers, are not sufficiently specific, on time scale, geographical coverage or the programme levels. There are clearly encouraging statements, but they do not amount to the kind of cast iron guarantees that exist in the third cohesion report. One can either see in that report a clear commitment for a seven-year period, plus two, and know that, depending

[Andrew George]

on the negotiations, there will be a budget, or there will simply be promises of an intention to deliver, which we do not know will be achieved.

Mr. Kilfoyle: Just to reinforce the point made by my hon. Friend the Member for St. Helens, North (Mr. Watts), I have come out of meetings with the Paymaster General with the clear understanding that there was an undertaking that whether the funding was repatriated or not, there would be no loss to the objective 1 areas. That is the only thing that matters. We want to see a smooth transition into the future: a proper taper that ensures that we can carry on with the development work in Cornwall, Wales and South Yorkshire, as well as on Merseyside. I was under no doubt whatever. I was completely satisfied coming out of those meetings.

Andrew George: Perhaps the hon. Gentleman is more easily satisfied than me. He says that the money will be there, but we are told that it will be there in the regions generally, not in objective 1 regions. It will be available in an area that is 10 times the size, and it will be siphoned off into other activities. If he has had an agreement for the delivery programme on Merseyside, good for him, but we have certainly not had such an agreement for Cornwall and the Isles of Scilly. That is what we are looking for: a clear contract, a budget, clear geographical coverage of a genuine region, not a Government zone, and a commitment for seven years plus two. We do not have that.

Mr. Kilfoyle: Surely, the hon. Gentleman understands that government is an organic process and that, as things improve, we expect it to adapt to changing circumstances. The figures and statistics for Cornwall have long been depressed, as have those for Merseyside and other areas, but one hopes that the success of the programme will be measured by those areas' ability to come out of it. I do not want Merseyside to qualify for objective 1 criteria for ever and a day. I want it to move over the 75 per cent. threshold, so that we can stand alone and fight our own battles in the wider world. Surely to God, he cannot look for some kind of guaranteed commitment to provide a specific kind of funding for ever and a day. The arrangement is bound to change according to circumstances.

Andrew George: I am asking for a commitment not for ever and a day but for seven years. In the light of Cornwall's 65.3 per cent. GDP figure, it is highly unlikely even with the best possible prospects that it will jump over the threshold—as I hope Merseyside will, as well as Cornwall. We must be realistic: Cornwall will not burst its way through the 75 per cent. threshold tomorrow, and it is not likely to do so before 2006. We know that it is bound to be eligible for objective 1 status beyond 2006. The point that I am making is that we want a commitment for seven years plus two, not for ever and a day. Hon. Members do not appear to be able to hear what I am saying.

Mr. Watts: While many of us can claim credit for campaigning for objective 1 funding over many years, the decisions are made by the Council of Ministers. It will be British Ministers—Labour Ministers—who will negotiate on our behalf in the Council of Ministers. Obviously, the sort of guarantees that the hon. Gentleman is seeking cannot be given until those discussions have taken place and there is general agreement about whether there will be a nationalised policy or a European programme, and about the size of the initiative, the amount of resources, and how long it will last. He should take some comfort from the Government's regular statements that Cornwall's status will be maintained either Europewide or in the UK and that resources will come into Cornwall to compensate it if it has a UK-based scheme rather than a European one.

Andrew George: I cannot say that I take comfort from what the hon. Gentleman says. It is encouraging, but I am not reassured. We are playing with words, and we are in a grey area with regard to how satisfied we are with the settlement.

Even if the Government wish to promote the argument of achieving a 1 per cent. level for the EU budget, I do not understand the logic that says that the UK is therefore arguing that only accession states that are eligible for objective 1 funds should be in receipt of them. If we are entitled to objective 1 funds, as Cornwall will be—they could be, say, £300 million over seven years—why not have that money, which will help to supplement the UK's own contributions to its own regional economic development? I cannot see the logic of completely cutting ourselves off from access to European regional structural funds, and I hope that the Minister will take that point on board.

I have spoken for a reasonable length of time, but a certain amount of time remains. The Government have made some encouraging statements, but future statements must include nailed-down commitments on areas that are currently eligible for objective 1 status.

I hope that the Minister understands that the matter is one of genuine concern and not simply the result of politicians' campaigning. Apolitical and non-political people in Cornwall and the Isles of Scilly are genuinely concerned: they have engaged with the programme by examining the third cohesion report and statements made by Ministers, and they say, "We want to keep objective 1 status, thank you very much." I hope that the Minister will take that point on board and consider whether she can strengthen some of the Government's commitments, and in particular those on geographical coverage, length of commitment and available budget.

It is vital that we have a programme that includes a contract with those areas. Cornwall and the Isles of Scilly is a region that genuinely works and that people recognise, unlike the Government's south-west zone, which was clearly created for bureaucratic convenience and is not the basis on which to deliver the kind of aid that we have discussed.

5.41 pm

Llew Smith (Blaenau Gwent) (Lab): Before I became a Member of Parliament, I spent 10 years as a Member of the European Parliament. Throughout those 10 years, I and other Labour MEPs campaigned for

objective 1 or a scheme that could deliver similar investment not only in Wales, but throughout the United Kingdom. Like those Labour MEPs, I would like to claim credit for delivering objective 1, but in my more modest moments, I admit that its successful introduction was because of the election of the Labour Government, without which objective 1 money would not have come into communities in my area, south Wales.

I remember when nationalists in Wales argued that it would be impossible to introduce objective 1 into Wales because of the absence of a Welsh Parliament and the lack of independence for Wales. The Labour Government showed that independence and a Welsh Parliament were irrelevant and that, given energy and ideas, it was possible to deliver objective 1. They delivered objective 1, from which communities such as mine have benefited for a number of years.

Objective 1 can play a major role in helping to revive communities. In Blaenau Gwent, for example, we have some of the highest levels of unemployment in Wales, some of the lowest wages in the United Kingdom and some of the worst health problems, which involve heart disease, respiratory disease and lung cancer. We are near the top of the list for problems relating to mental health, we have low levels of car ownership and our housing stock is very poor. Those problems have not gone away as a result of objective 1, but objective 1 can play a major role in particular communities.

We should not try to convince ourselves that the problems have gone away. In Blaenau Gwent, for example, we still have a major unemployment problem, which involves not only the number of people who are unemployed but the kind of jobs that we have lost in our communities. We have lost a big part of our manufacturing base. In the 1980s, we lost the coal industry, which was a major supplier of jobs in our particular community. More recently, we have lost the steel industry and other major manufacturing companies such as Bosal and Faurecia. Just before Christmas, Yuasa Battery announced that it was to make between 200 and 300 people redundant and the work was to go to another country.

Just last week, I met the work force of Merton Packaging, which has been functioning in my community for the past 20 years. The work force are very skilled, highly motivated and loyal—so loyal that they have not had a wage increase for four or five years. On returning to work after the Christmas holidays, they found that the doors were locked and were told that the company was going into liquidation. That is the kind of behaviour that one would expect of a 19th-century employer, but this is a present-day employer, operating in my community.

It is not only the number of jobs that is important, but the kind of jobs. We have attracted jobs to Blaenau Gwent, but far too many of them have been low-paid, part-time, non-union, soul-destroying jobs. It is interesting that we, like other parts of the country, are losing jobs to other countries, but our jobs are being lost from a community that has some of the lowest wage levels in the United Kingdom. If we cannot reclaim those jobs, there are obviously problems in other parts of the UK.

On tackling low wages, the minimum wage has obviously been an important policy development for my community, but it is still much too low. It needs to be dramatically increased if people are to have the dignified lives that they deserve for their labours.

In Wales, we have an additional problem in that much of the investment, which is the responsibility of the National Assembly for Wales, has been directed not to some of the poorest and most deprived areas but to some of the richest communities in Wales. There is a shortage of money in many areas, including Blaenau Gwent, but investment is going to places such as Cardiff bay. We saw an example of that just before Christmas, with the opening of the Wales Millennium Centre, a glorified opera house, which cost over £100 million and has been guaranteed by Rhodri Morgan a permanent subsidy of £2 million a year. Just imagine what some of the deprived communities in Wales could do if they received the kind of money going to the richest areas. We need to continue and increase the investment going to those deprived communities. With the amount of money going to Cardiff bay, Blaenau Gwent could revolutionise life in our community. Objective 1, with all its limitations, must continue in one form or another.

If we are to attract jobs to Blaenau Gwent, we are told that we must concentrate on high-skilled jobs. I agree to a certain extent, but we have problems because the amount of investment in further education in Gwent is decided by the quango Coleg Gwent. Midway through last year, it decided to close the engineering and catering departments in my constituency, which is probably the most deprived area in Wales. The new principal of Coleg Gwent and the deputy director of ELWa said, "Not to worry—your constituents can still study engineering but they can do it in Nash, which is in the outer part of Newport." I do not have a PhD in geography, but I understand the difficulty of travelling from my constituency to Nash in Newport. Indeed, if a student from Blaenau Gwent wished to study engineering in Nash, it would take a round trip of five hours. If he or she decided to spend five hours on public transport, they still would not arrive in Nash in time for the commencement of the course each day. How can communities such as ours concentrate on trying to attract high-skilled jobs when the people responsible for further education are closing the very departments that can deliver the training and education necessary for those jobs?

Other people in authority have said, "We've got to concentrate on attracting tourism to Blaenau Gwent, because it is a beautiful part of the world." No one doubts that. Yet the people who control Gwent's further education decided to close the catering department. How can we boost tourism in Blaenau Gwent by closing the catering department, which plays an integral part in the training required for a buoyant tourist industry?

The problem with objective 1 is not a shortage of money, but priorities. In the years when I was in the European Parliament, the priority was to concentrate on directing moneys towards the agricultural sector through the common agricultural policy. Every year, at budget time, the Commissioner would make a statement in which he told us, "Things are not well with the common agricultural policy, but not to worry—tomorrow all these things will be changed, the problems will be rectified and the amounts directed to agriculture

[Llew Smith]

will decrease." In other words, areas such as mine would benefit. That has not happened over the past decade or so, and I suggest that it will not happen in any big way in the months and years to come.

If the European Union and the European Parliament are to be seen as relevant by the people outside, they must be seen to be responding to the problems that people have in communities such as mine. Until now, leaving aside noble exceptions such as the objective 1 programme, they have failed in a big way to do that. We must not forget that we are still paying more into the European Union than we are receiving back, even allowing for the rebate. That injustice should be rectified.

My final point concerns who takes the decisions. The hon. Member for St. Ives (Andrew George) spoke about the role of quangos, which has been a contentious subject in Wales. We were told that, if we elected a Welsh Assembly, it would bring about a bonfire of the quangos, but that has not happened—it has been very much a damp squib. Too many decisions in Wales are taken by people who are not elected, not accountable and cannot be removed. That is surely wrong. We want decisions to be taken by people who are elected, are accountable and can be removed if people see that they are not responding to their problems.

We were promised not only a bonfire of the quangos, but that many of their powers would be transferred to democratically elected bodies such as local authorities. That has not happened in Wales. People in Wales know now, if they did not at the time of the referendum for the National Assembly, that they were conned in a big way. Many people went along with it, even though some of us argued and predicted the result.

There are big problems, not only in my community but in communities throughout the United Kingdom, that still suffer from unemployment, the loss of good jobs, low wages and all the deprivation that goes with that. We need some sort of scheme to continue after 2006 if our problems are to be rectified.

I want to end as I began. I would like to claim credit for objective 1 funding, and I am sure that other former MEPs would too, but we would admit in our humbler moments that it is due to the election of a Labour Government. I say that as someone who has been somewhat critical of the Government on one, two or perhaps three occasions.

3.55 pm

Lembit Öpik (Montgomeryshire) (LD): I agree with the comments of my hon. Friend the Member for St. Ives (Andrew George). Many of them apply to Wales. I was also interested in the suggestion of the hon. Member for Blaenau Gwent (Llew Smith) that he personally, not the Labour party, was responsible for European funding.

Llew Smith *rose—*

Chris Ruane: My hon. Friend did not say that.

Lembit Öpik: I know. I shall give way but I understand that the hon. Gentleman did not really say that.

Llew Smith: Either the hon. Gentleman suffers from major problems with his hearing or I have a major communications problem. On this occasion, I shall be polite and say that the hon. Gentleman has a problem with his hearing. On two or three occasions, I said that I should like to claim credit for the introduction of objective 1 but that I knew that the achievement was due to the election of a Labour Government. I repeat, "a Labour Government."

Lembit Öpik: I shall simply say that there has been a sense of humour breakdown rather than a communications breakdown. To avoid doubt and so that the hon. Gentleman does not get into trouble with the Prime Minister, I stress that I fully understand that he is not, at least on this occasion, taking on his party leadership. Nevertheless, he spoke about the benefits of objective 1 to his constituency.

There is no question but that objective 1 has been enormously helpful to Wales, although unfortunately not to Montgomeryshire, which just missed out. By any measure today, it would qualify for objective 1, but it just missed out at the time. That was a disappointment to my constituents. We got limited funding but not on the basis of objective 1. One of my minor criticisms of the objective 1 system is that the inflexibility of its criteria mean that many regions in the United Kingdom, including mid-Wales, have missed out.

The third report on economics and social cohesion, which the European Commission published on 24 February 2004, charts the way for structural funding in Wales for 2007 to 2013. I am tempted to discuss the success of objective 1, but that has been covered widely in interventions. The debate, which is about the way in which the needs of Wales and the United Kingdom should be met through structural funds in future, is most important.

The cohesion report states that the UK is the most divided state in Europe, even including the 10 accession states, for apportioning funding. The figures in the cohesion report clearly show the poverty of aspiration of successive UK Governments in regional development policy. European structural programmes offer an opportunity for regions such as Wales, but also parts of England, Scotland and Northern Ireland, to escape from the straitjacket of rules and funding that UK Governments impose. I stress that such restrictions and the lack of joined-up thinking in dealing with the enormous disparity of wealth in the UK make several of us suspicious of future funding strategies if they are to be primarily in the hands of the UK Government.

The Welsh Liberal Democrats favour a continued link with European funding for economic development projects in Wales. What is likely to be on offer from the UK Treasury would probably be limited to three years, whereas European funding would be solid for up to eight years. Indeed, during the debate in the Assembly on Wales in Europe on 18 June 2003, my colleague Mike German, AM, highlighted the dilemma. He asked a question about the repatriation and future of structural funds in Wales, and inquired

"whether the European Union, as well as the United Kingdom, has a clear role to play in addressing the problem of lagging regions. The regional policy ministerial meeting held recently in Chalkidiki and the subsequent statement in Plenary confirmed that we are heading for an unprecedented widening of regional disparities across Europe."

That is why I would be concerned if the United Kingdom Government were to decide that they should hold the primary reins of distribution for such funding across the United Kingdom.

Mr. Watts: As *I understand it, the only* way in which the Community could continue its objective 1 and 2 programme would be through a massive increase in funds. The UK Government would therefore have to make a contribution to the European Community for that programme to continue. How can the hon. Gentleman be sure that the resources that would come from the UK would be spent in objective 1 and 2 areas here?

Lembit Öpik: There are two elements to the hon. Gentleman's question. First, he is right to say that there is no question but that the funds have to be available. We need to have a transparent debate on the relative cost to the wealthier nations such as the United Kingdom of ensuring that the funding is there. He did not say—but I will—that other parts of Europe, including the 10 accession countries, will also be making similar claims. I know for a fact that Estonia is likely to do so, so there is a funding issue involved. The action to take in that regard is for us to have a longer debate on the financial implications of UK expenditure in that system and on what the likely return would be.

The second part of the hon. Gentleman's question can be answered as follows. The Liberal Democrats' strategic interest in speaking in favour of maintaining something like the existing system stems from our faith in the fact that the funding is long-term. It could last until 2013 or even 2014. Our concern about the alternative system is that there could be no guarantee of funding over such a long period, during which there will necessarily be a number of general elections. Government policies might change and the promises made by the Chancellor of today might not be honoured by the Chancellor of tomorrow. That is the difficulty. We therefore have a strategic concern about the solidity of that long-term funding arrangement, which could change depending on who was in office in the Exchequer and who was in government.

Mr. Watts: Does the hon. Gentleman agree that the long-term regeneration of areas such as mid-Wales, Yorkshire and Cornwall depends on the Government themselves making resources available? At the end of the day, whether an area has an objective 1 or objective 2 programme, the amount of resources that will be made available depends on the whim of the UK Government of the day. Does it not give him confidence that, since 1997, this Government have shown that they have vastly increased those resources? Is not the best way to ensure that those resources are available to objective 1 and 2 areas to tell people to keep on voting Labour?

Lembit Öpik: If the hon. Gentleman looks at the history of this issue in Wales, he will see that one of the great frictions in Welsh politics was caused by the fact that the then First Minister, the right hon. Member for Cardiff, South and Penarth (Alun Michael), could not deliver what a number of Labour Welsh Assembly Members themselves demanded. In other words, the friction did not come from the Opposition parties alone. It came from within the Labour party, which, on the basis of this very issue, demanded the resignation of the right hon. Member for Cardiff, South and Penarth from his role as First Minister and replaced him with Rhodri Morgan. I understand the political point that that the hon. Gentleman makes, but the equally political response is that it was not good enough for Labour in Wales. It would have been instructive for him to have seen the frictions that this very issue caused in that nation.

Chris Ruane: Would a Liberal Democrat Chancellor of the Exchequer, should there ever be one, guarantee sums of £400 million for one region, and £600 million for another, in the middle of a comprehensive spending review? Would that be right?

Lembit Öpik: Of course not, and that is the point that we are discussing. My hon. Friend the Member for St. Ives suggested that the hon. Gentleman and I should settle this score outside the Chamber. I have just been reading a book about the great fight between George Foreman and Muhammad Ali, and I fear that it would be less "The Rumble in the Jungle" than "Danger down in Strangers". I am sure that we can accept one common issue: the frictions that seem to arise in this debate about the certainty of long-term funding are shared, regardless of the colour of the Government. Long-term certainty is therefore what those in business engaged in long-term investment crave, as they can then make long-term plans. That is very important for industry.

Mr. Kilfoyle: The hon. Gentleman mentioned how Montgomeryshire had missed out on objective 1, so I understand his disappointment in relation to his emphasis on the normal give and take of argument about the processes and mechanics of how objective 1 ought to be applied. Will he give credit to the Minister for Sport and Tourism, the then Minister for the Regions, Regeneration and Planning, who went to great lengths to ensure, with a lot of support from different elements in his party and from others in the House, that the most needy parts of Wales, as well as Cornwall and South Yorkshire, shared in the benefits of objective 1, which he had seen for himself on Merseyside?

Lembit Öpik: I would. My point is not primarily partisan, although others may have sought to make this a partisan debate. Where others speak the language of war, I sow the seeds of peace and hope that we harvest collectively the benefits of European funding. In that context, I recognise that this Government have done far more than a Conservative Government would have done in achieving the benefits of European funding.

What we are discussing is the way in which funding mechanisms would be best structured. It is a simple debate for me. I and the Liberal Democrats believe, as my hon. Friend the Member for St. Ives explained, that the long-term stability of funding is best secured by an objective 1 system that rests primarily on the shoulders of the European Union. To respond to one part of the earlier comments, that would create political pressure, as we have seen in Wales, for the United Kingdom Government, or the Welsh Assembly Government, to

[Lembit Öpik]

respond in kind. Clearly, others in the House think that we should leave it more in the hands of the UK Government. We are saying that that is a relatively unreliable way to maintain long-term funding. Each of us must draw our own conclusions, but that is one reason why this is an interesting debate.

While, as the hon. Member for Liverpool, Walton (Mr. Kilfoyle) highlighted, many deprived areas of Wales have benefited, some parts of my constituency have not, even though, by the normal measures, they suffer substantial deprivation. I want a more flexible approach, with more localised support than under the current broad-brush regional assessment of poverty.

Mr. Wayne David (Caerphilly) (Lab): The hon. Gentleman is beginning to touch on an important point, albeit at the end of his contribution. Leaving to one side the issue of funding, does he agree that it would be better for the European principle of subsidiarity to apply, for Brussels to have less say about how funds are spent in Wales and to have more localised and regional determination about how money is spent, addressing real needs?

Lembit Öpik: The hon. Gentleman is right that subsidiarity and flexibility are important. I believe that they can best be achieved through a more guidelines-based approach to how funds are spent and clarity about the outcomes required from the expenditure. A Europewide debate about that in the months ahead would be constructive. The hon. Gentleman's constituents, and mine, would benefit from the localisation of some investment, rather than money being invested in wealthy areas that do not need it so badly.

I am pleased that the Government have shown more commitment to this funding programme than I think would have been shown by a Conservative Government, although I am sad that they have not shown as much commitment as the Liberal Democrats will after the next general election, when we form the Government. Let me end on a positive note. The foundations laid by Labour will certainly be built on by the Liberal Democrat Government in a few years, and I thank the Government for the work they have done, but I make them a promise: they ain't seen nothing yet.

6.10 pm

Ms Candy Atherton (Falmouth and Camborne) (Lab): I welcome the opportunity to speak. As many Members on both sides of the House know, I have taken a particular interest in objective 1. I was delighted when the debate before this finished early, because it meant that this debate could continue for longer. It is a critical debate—although whenever we have such debates I experience a sense of déjà vu. The doom and gloom mongers always emerge and say, "It is never going to happen; we will never get what we need."

I well remember when Cornwall first set out to achieve objective 1 status. I entirely accept that many people were involved in the campaign—the Liberal Democrats, the Labour MP, the Liberal Democrat MEP of the day, the county council and the community. We all stood together and we all argued the case, but the fact that we were statistically linked with our colleagues and friends in Devon constituted a barrier preventing us from obtaining stand-alone regional status in the European Union and receiving the money. The critical moment occurred when the Prime Minister instructed senior civil servants and fellow Ministers to make the case for decoupling us from Devon.

I remember the Liberal Democrats saying, "It will not happen." There was much beating of breasts. They said, "We must go to Berlin to make sure that this Labour Prime Minister does not forget Cornwall. It will be forgotten among the great mass of other issues." But the Prime Minister delivered for Cornwall. Then what did the Liberal Democrats say? They said, "We will never have the match funding."

The hon. Member for St. Ives (Andrew George) smiles, because he knows that that is absolutely true. Every time we have done anything involving objective 1, the Liberal Democrats in Cornwall have said, "It will not happen." Four years ago, almost to the day, the hon. Member for Truro and St. Austell (Matthew Taylor)—who is not present—accompanied me to the launch of Combined Universities in Cornwall, which was also attended by the regional development agency, the higher education partners and all the people who had worked so hard on the project. Having been briefed on it, he told the media that the British Government would not come up with the match funding. And what has happened? The buildings have been built, the staff are in post, the students are there, and we have a fantastic icon for Cornwall.

I applaud what the hon. Member for St. Ives says about ensuring that we secure the best possible deal for Cornwall. I will stand up for that and fight for it. We must look at the history, however, and the history is that this Government and only this Government have really invested in Cornwall. Ten years ago, unemployment was soaring. A journalist to whom I was talking the other day said, "We could not wait for the unemployment figures 10 years ago, Candy. We used to snatch them off the fax machine. It was always a great story for us because the figures were so awful. We do not even report them now."

The challenge for phase 2 of objective 1—or son or daughter of objective 1—is to ensure that we raise wages in the county and do not have to fight for more money in the future because the economy is vibrant and dynamic and we are standing alone. The hon. Gentleman mentioned that earlier.

Andrew George: Will the hon. Lady give way?

Ms Atherton: I am in some flow, but I will.

Andrew George: I wanted the hon. Lady to hesitate at least for a while, although I appreciate that she was, in fact, in full flow. I think that she has rather overstepped the mark. Not only have many who were involved in the achievement of objective 1 status been airbrushed out of history, but there has been a certain amount of rewriting. She claims, among other things, that it was all doom and gloom and we said that we would never receive match funding. She must understand the distinction between saying that that would never

happen and saying, as my hon. Friends and I did, that we needed to campaign for the match funds and the projects. We realised that we had to campaign hard to achieve those things.

Ms Atherton: I realise that there is a difference between a press release in Cornwall and what is said in the Chamber. However, as history shows—and as even this week's press releases show—such comments constituted a lot more than simply the raising of issues; they were a lot more certain in tone than that.

Chris Ruane: What is my hon. Friend's assessment of the effect of such doom-mongering on morale and enthusiasm in the business, voluntary and public sectors? *[Interruption.]*

Ms Atherton: Opposition Members laugh, but that is not what the people of Cornwall do when such comments have their impact. Anything that causes uncertainty and hesitancy, and places a question mark over future investment, has a real impact on the business community. Many people in the business and public sectors have come to me and said that such comments have a bad effect. I am not saying that only the Liberal Democrats are to blame. There is a regional—

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): Does my hon. Friend think that it does us any good when these negative press releases appear in the *Western Morning News*, which then lands on the desks of potential inward investors?

Ms Atherton: Speaking as a journalist, I take my hat off to any campaigning newspaper. However, I know that one or two potential investors in the wider west country—not necessarily in Cornwall—hesitated and decided not to invest as a result of such press releases. They thought that some parts of the media in the south-west were not to their taste. That is very regrettable and I hope that they will think again.

I return to the central issue and challenge, which is where we go with objective 1. The Commission has come up with its plans, but they are neither agreed nor funded. Having another tranche of objective 1 for seven years, plus objective 2, sounds very nice in theory, and it might seem as if everything will be rosy at the end of that process. However, we do not have that certainty. The Commission has put its plans on the table, but it does not have the money. It is the Council of Ministers, representing 25 countries, that must come up with a deal, so unanimity is going to be very difficult to achieve.

As a Labour Member of Parliament for a Cornwall constituency, I felt it my job to make sure that Ministers know that ours is the only area that stands to get objective 1. I am very pleased that the Chancellor pledged, during a meeting with me, to ensure that Cornwall will not lose out and, critically, that it will do better than under the EU proposals. That is a very fine pledge, which I have never heard from the Conservatives or, I fear, from the Liberal Democrats. When I last debated this issue in the House and I challenged the Liberal Democrat spokesman, he refused to commit to funding objective 1, as the Labour Government have pledged to do.

Mr. David: On the critical issue of funding, does my hon. Friend agree that although it is very easy for the European Commission to make all sorts of wild promises about how much money it would like to give out, in reality it has no money to allocate? Everything depends on the Council of Ministers, so any commitments given by the Commission are purely hypothetical.

Ms Atherton: That is the point, which is why I approached the Chancellor and various Ministers, including my right hon. Friend the Minister for Industry and the Regions, and told them that Cornwall is the only region in the UK that stands to get the full tranche of objective 1. Although many of my colleagues representing other regions will rightly argue their case—some of them are here this evening—I am very concerned that the special nature of Cornwall be recognised, and I am delighted that this Labour Government have made that pledge.

Mr. Watts: Does my hon. Friend, who has championed this issue on Cornwall's behalf for many years, agree that it is very easy to get carried away with objective 1 and 2 funds? Frankly, Cornwall's ability to regenerate will be determined not by whether it has an objective 1 fund, but by whether the Government of the day provide the resources that this Government have provided since 1997. Such funding, although a helpful contribution, is a fraction of what is needed; it is not the main factor.

Ms Atherton: I entirely agree. There is probably more unanimity around the Chamber than is reflected in our debates—we all want the best for our constituencies. From my personal viewpoint, I am going for a win-win. I am going to debate with the Government, meet the Chancellor and other Ministers and argue the case. If we get more money via the UK Government, that is great, but I will want commitments on the time scales and match funding. I am pleased that Treasury Ministers and officials are meeting partners in Cornwall to make it work better. It is in everyone's interest to make the money work in the different parts of our regions that need it.

Andrew George: Will the hon. Lady give way?

Ms Atherton: No, this is important.

On the question whether the money is to come from Europe, we need an answer soon. We need a commitment from the Government that they will continue to put money into a county that still needs their support. We have made huge strides and I am so proud of the way in which the county has risen to take up the challenge of objective 1 and made it work so well—for example, with the university, broadband, the urban regeneration company in my constituency and so forth. Much is going on, but there is a lot more to do. I look forward to receiving the Government's support in the future.

6.21 pm

Chris Ruane (Vale of Clwyd) (Lab): I congratulate the hon. Member for St. Ives (Andrew George) on securing the debate. I know that he has been active in the

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all-party objective 1 group. We have made progress over the years on this issue and we are now at a critical point in securing the funding that objective 1 areas need.

Members who have already spoken have given a flavour of their own areas, constituencies and regions, and I should like to give a flavour of my area. The counties of Denbighshire and Conwy were not included in the original objective 1 bid for Wales, which was for 13 of the 22 counties. The Cardiff business school came up with some statistics, however, to prove that Denbighshire and Conwy did indeed have a low gross domestic product. That information was passed to the head of economics and economic development in Denbighshire, Gareth Evans, who forwarded them to me as the principal MP for the county. I then passed the statistics on to the research department of the House of Commons. When they were rejigged according to EUROSTAT standards, Denbighshire and Conwy came out even worse. Conwy had the lowest GDP in the whole of Wales—at 58 per cent., lower even than Cornwall. We were joint bottom with Bridgend, if I recall correctly.

I and my colleagues—my hon. Friends the Members for Clwyd, West (Gareth Thomas) and for Conwy (Mrs. Williams) and, indeed, the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd)—were able to lobby the then junior Minister with responsibility for objective 1 in Wales, my right hon. Friend the Member for Neath (Mr. Hain), to consider the new statistics and allow Denbighshire and Conwy to become part of the objective 1 bid for Wales. To his credit, my right hon. Friend did that. Had he failed to do so, we would have been looking at a rejuvenated Flintshire and Wrexham to the east, an objective 1 area in the north-west of Wales and an objective 1 area in Merseyside. That would have left us hanging in the middle like a black hole for ever.

I am therefore very pleased that that junior Minister, now the Secretary of State for Wales and my boss, took that decision in the teeth of opposition from some senior nationalist politicians, not to mention some Labour politicians down in the south. The opponents believed that looking into that case at such a late stage would upset the applecart, result in EUROSTAT crawling all over us and jeopardising the entire objective 1 bid for Wales.

I hope that that gives the flavour of the history of objective 1 in my area. I like to feel, as do others, that I played a full part in securing objective 1 status for my region. I pay tribute to the House of Commons research department for supplying me with the statistics that proved critical in convincing the then junior Minister to accept Denbighshire and Conwy.

It is worth comparing the Labour record with the previous Conservative Government's record. They took away assisted area status from my area of north Wales, despite the fact that we had lost about 21,000 jobs as a result of the closure of the Shotton steelworks only 10 years before assisted area status was taken away from poor areas in north-west Wales. It is to the Labour Government's credit that Denbighshire and Conwy, and West Wales and the Valleys have objective 1 status.

We have made good use of the money that we have had over the past four years. We will have it for another two years, and it is important that we have a lengthy tailback—seven years, plus two—to make sure that we finish the job that we have started. The decline has gone on for 40 years in seaside towns such as Rhyl, Kinmel Bay, Colwyn Bay and Llandudno.

Mr. Watts: And Talacre.

Chris Ruane: And Talacre as well. We cannot reverse 40 years of decline in six years, which means that we must secure the funds for seven to nine years, to make sure that we can finish the job.

Mr. David: Does my hon. Friend agree that the fact that central Government have given allocations to Wales over and above the Barnett formula has been crucial to the success of the objective 1 scheme in West Wales and the valleys? That has allowed match funding to take place.

Chris Ruane: I agree, and will deal with that point shortly.

What type of jobs have been created? The traditional industries in my part of north Wales are coal, agriculture and the work that goes on in seaside towns. They have been in slow decline over the past 30 years and the structural funds will allow us to change the structure of the north Wales economy.

That is happening in my constituency. An example is the St. Asaph business park, which was built by the previous Conservative Government at a cost of £11 million. The connecting flyover alone cost £2.5 million. The park was empty for seven years, with only 100 jobs in all. Since the Labour Government took office in 1997 and objective 1 status was granted, the number of jobs has risen to 2,500.

Those high-quality jobs could not have been secured without objective 1 funding. For example, the OpTIC project cost £15 million, of which £6 million came from objective 1 funding. It is an incubation and research centre, with 24 individual units. It will co-operate with the 35 existing electro-optic equipment companies in north Wales, which employ 2,500 workers. If one of those workers has a good idea, further research can be performed at the centre to assess its value. Successful ideas will be given a unit and allowed to grow. These companies will have an 80 per cent. survival rate over a five year period. That is an example of how high-quality jobs will replace the jobs in farming, mining and seaside towns. Every two years, 24 new high-tech companies start up in my area of north Wales. They will provide the sustainable jobs that we need for the 21st century.

The momentum created in the St. Asaph business park has attracted other firms. The Japanese firm TRB was the first ever foreign company to make inward investment in my constituency. The Austrian company Pachem has established an objective 1 factory in Rhyl's south-west ward. I was brought up in that ward, and it is in the top 5 per cent. of the poorest areas in Wales. That foreign investment will raise our profile around the world, because of objective 1.

Mr. Watts: Does my hon. Friend agree that state aid is as important as European structural funds to the future economic development of his area and mine?

Does he share my view that the Government must ensure, in the Council of Ministers negotiations, that we continue to have state aid in areas like ours?

Chris Ruane: Yes. We have raised the question of state aid in relation to Denbigh high street and I have asked Glenys Kinnock to look into the matter with a view to getting the state aid rules revised and clarified.

There is more to this than putting up large sheds for Japanese, Austrian or even native companies. We must be able to provide the skills that those companies need. Objective 1 status in my area has helped Llandrillo college, which is situated some 20 miles away, to establish colleges in some of the poorest communities in Wales. For example, the west ward in Rhyl is the poorest of all the 865 wards in Wales. A college has been set up there for the first time in the town's history, only 100 yd away from that ward's boundary. The philosophy of the college is to reach into those poor communities and raise the skills of their people so that they can access the high quality jobs that are being created at the St. Asaph business park and in other places in north Wales.

I give credit to the principal of Llandrillo college, Huw Evans, for having the foresight to establish Rhyl college, headed by Irene Norman, and Denbigh college, headed by Julia Hughes. They are doing fantastic work in those towns and are also establishing links with smaller communities such as Bodelwyddan and Meliden, through their philosophy of taking learning into the community. Building on such work we will be able to raise the skills level so that people can get higher-paid and better jobs in the future.

The hon. Member for St. Ives tried to make the point that there was initiative overload by referring to between 20 and 30 Labour initiatives, but those initiatives are targeted and specific. They are not in competition with objective 1; they can co-operate with it. The Labour Government changed the rules on town heritage initiative grants. Under the previous Conservative Government, the fund for the Churchill diaries was awarded £12 million to prevent the diaries being sent to America, and £5 million was given for the playing fields of Eton. We said, "No more of that." Under a Labour Government, THI money goes where there is poverty and where there is architecture.

We changed the rules. The initiatives can be complementary—in towns such as Denbigh and Rhyl in objective 1 areas, THI money is coupled with objective 1 money to revitalise town centres that were neglected for so long under the Conservative Government. Those initiatives can result in additional funding for poorer communities.

We need to put the matter in perspective. In Wales, objective 1 funding, with UK, EU and private money, amounts to £3.2 billion. The Welsh block grant was £6.5 billion in 1997, but it is now about £12.5 billion a year, so we need to keep things in proportion. We have been giving credit to ourselves and to others, but we should also give credit for the macro-economic management of this country since 1997.

Lembit Öpik: Before we hear the eulogy to the Chancellor that will tell us the hon. Gentleman's side of the camp, I suggest that, given his reference to an additional payment above the Barnett formula, the Barnett formula needs to be revised. Would not it make sense to throw out a formula that even its inventor thinks outdated and replace it with something that better fits the needs of Wales and the funding requirements for objective 1?

Chris Ruane: I do not share the hon. Gentleman's view that we need to revise Barnett; it could be revised upwards as well as downwards and our English colleagues in London and the north-east may have their own perspective on that.

David Taylor (North-West Leicestershire) (Lab/Co-op): Wales has a population of 2.9 million, almost the same as that of the three east midlands English counties of Nottinghamshire, Derbyshire and Leicestershire, which have a similar socio-economic profile. Can my hon. Friend tell east midlands MPs, such as me, how we could share in the largesse that the Barnett formula gives Wales and, a fortiori, Scotland?

Mr. David: Become part of Wales.

Chris Ruane: Indeed. That is one avenue that might be explored.

The macro-economic position has helped West Wales, the Valleys and my constituency, as well as the constituencies of many Members. Objective 1 would not deliver on jobs if we did not have the lowest interest rates for 30 years or our current employment levels. People are employed—they have money in their pockets and can buy the goods and services that we are creating in Wales. The macro-economic policies have been fantastic since 1997. They have not just dropped from the sky and are not, as the Opposition say, the golden legacy of the Conservative era. They are the result of deliberately targeted policies such as the new deals for lone parents and for young people, child care provision and Sure Start, which allows young mothers and families to get back to work in the knowledge that their children are being looked after properly. Also helpful was the decision, opposed by the Conservatives—I do not know about the Liberal Democrats—to give control of interest rates back to the Bank of England.

Andrew George: I am grateful to the hon. Gentleman for raising the issue of where the Liberal Democrats stood. In fact, giving control of interest rates to the Bank of England was Liberal Democrat policy before the 1997 election, although it was not Labour policy then. It was one of the first policies that they unceremoniously nicked.

Chris Ruane: I would disagree.

Other colleagues wish to contribute, so I shall conclude. I sing the praises of West Wales and the Valleys and of Andrew Davies, the Minister for Economic Development and Transport in the Welsh Assembly, as he is an unsung hero who does not receive enough credit. I have given credit to the Chancellor and the Prime Minister for their initiatives, but I pay credit to Andrew Davies who has overseen objective 1 implementation in Wales and done a fantastic job. I pay tribute to the work of Chris Farrow, the head of the Welsh Development Agency in north Wales. We have

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the best record of economic development in Wales, and a great deal of that is down to Chris Farrow. All in all, Labour has done a good job.

6.37 pm

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): I apologise to the hon. Member for St. Ives (Andrew George), as I was not in the Chamber when he opened this Adjournment debate. Unfortunately, I had responsibilities elsewhere in the House, but I did manage to catch most of his speech. I congratulate him on raising this subject, as it provides a timely opportunity for many of us to contribute.

I shall make some general observations about objective 1 and its future, followed by some specific observations about Merseyside. I am grateful, as are other Merseyside MPs, for the dialogue that we have been able to develop with our right hon. Friend the Paymaster General about the future of objective 1. We had a meeting in her office, and the door is still open. She paid us a visit a couple of months ago, and productive discussions about our approach in future are under way between Members of Parliament and Ministers, and between officials from local government on Merseyside and officials in the Treasury and the Department of Trade and Industry. The hon. Member for St. Ives painted a gloomy picture, but there is hope that the process of changing to a new system will be managed in a beneficial and helpful way.

I take issue, however, with people who argue that the Commission's proposals are the answer to the problem. The issue needs to be reviewed, as the hon. Member for Montgomeryshire (Lembit Öpik) suggested, because the membership of the new accession states means that there will be a statistical shift in the average GDP, thus affecting the 75 per cent. cut-off. Areas such as Merseyside, although we are not yet prosperous by any means, will find it more difficult to qualify for objective 1 funding. The same may be true of Cornwall, but I am not in a position to say. Cornwall will still qualify, and it could be under that formula. That is more doubtful in Merseyside's case, partly because of the dramatic improvement that has taken place in our economy since the advent of a Labour Government.

If we were to go along with the Commission's proposals as they now stand, I understand that—my right hon. Friend the Minister will correct me if I am wrong—for every £14 the Government put into the fund, objective 1 areas will get the benefit of £1. I know that the Liberal Democrats are generally pretty profligate with taxpayers' money—in theory, at least—but it is a really poor deal to raise £14 to get £1 back in return. If the hon. Member for St. Ives will forgive me, I do not think that the Commission's proposals are the most sensible way of conducting these matters.

I would like to make one more general point. I do not wish to appear ungrateful, but we now have a number of different funding streams for areas, such as mine and that of my hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle), that still have economic and social problems. The neighbourhood renewal fund, the new deal for communities, which touches on part of my constituency, and the single regeneration budget all provide additional resources and are very welcome, but there is a difficulty in that too many funding streams come into areas such as ours. There is some duplication, and certainly confusion. It would be sensible from the Government's point of view—and this is probably the intention—for them to bring all the funds together, package them so that the same imaginative range of measures as are being carried out already can continue, but focus them more sharply on the areas that really need the most attention. I hope that out of the productive discussions that are going on, we can achieve that.

I now wish to make some Merseyside-specific points. I will be brief, because I think that my hon. Friend the Member for Liverpool, Walton will add to them. My constituency and Merseyside have benefited enormously from objective 1 funding. The local college, Knowsley community college, has sites in Knowsley, South and in Kirkby, in my constituency, and it has received enormous assistance from objective 1 for courses and other developments. We have transport improvements, and investments in industry and in the North Mersey business park, which my right hon. Friend the Paymaster General visited recently. That has enabled many small businesses to take off in a sheltered and helpful atmosphere. An awful lot is being achieved already, particularly in Knowsley and in parts of Sefton. I pay tribute to the contribution that local government has made towards that, because it has been enormously helpful in those areas in particular.

The hon. Member for St. Ives referred earlier to Liberal Democrat Merseyside, but I have to tell him that only part of Merseyside is Liberal Democrat, and in terms of objective 1, it is the worst performing part. My hon. Friend the Member for Liverpool, Walton will probably bring more examples to bear if he is fortunate enough to catch your eye, Mr. Speaker, but I shall name three projects that have received support from objective 1. As a result of the actions of the Liberal Democrats in Liverpool, two of them will never see the light of day.

The first is the prestigious Kings Dock waterfront development, which might have brought a football club to the area. It would certainly have provided a stadium for concerts, a facility sadly lacking on Merseyside. There was a great deal of attention in the media, and a great deal of spinning on the part of the Liberal Democrats in Liverpool, but where is that project now? There will be a development on the Kings Dock, but it is much scaled down. The Liberal Democrats squandered the opportunity.

The fourth grace was supposed to be a prestigious piece of architecture to go alongside the Three Graces on the waterfront on Merseyside, which have a worldwide reputation. Much money was spent and there was a great deal of objective 1 involvement. A design competition was held and an imaginative futuristic design was selected. It might not have been to everyone's taste, but it was an important venture. Where is it now? Scrapped. No fourth grace. A lot of money was spent and there was a great deal of European commitment to it—but Liverpool city council, Lib Dem-controlled, failed to deliver.

The project that affects me the most is the tram scheme. Labour-controlled Merseytravel has a proposal, which will still be implemented, to link

Liverpool city centre with Kirkby in my constituency—a hugely important development, not only in terms of transport but in terms of economic development. Every area that it goes through is a Pathways area, which under objective 1 is designated as the areas under most stress. The scheme is brilliantly designed. Who nearly wrecked it? The Liberal Democrats on Liverpool city council, by arguing, among other things, about whether the stanchions to the tramline in William Brown street should be black or grey.

The scheme, which had objective 1 money from Europe, was nearly wrecked. I believe the Liberal Democrats in Liverpool wanted to wreck it because they wanted it to go along a different route. They did not want it to go through the poorest areas, but through the leafiest suburbs, where they are gathering votes. Although we are grateful for the work that the Government are doing and for all the assistance that we have had through objective 1, I hope that the Minister will keep a careful eye on the capacity of the Liberal Democrats in Liverpool to squander those benefits and make the whole region a laughing stock.

6.47 pm

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): I, too, congratulate the hon. Member for St. Ives (Andrew George) on securing the debate. As has been evidenced this evening, hon. Members from around the country have a great interest in the outcome of the conversations about objective 1 taking place in Government and in the European Union. However, the hon. Gentleman did himself and objective 1 a disservice when he spoke about it in the terms that he used. Let me remind him of the background, from the perspective of an area that had objective 1 status long before Cornwall.

Twenty-three years ago, a journalist called Stanley Reynolds wrote an article entitled "The Museum of the Horrifying Example". It was a caricature, in my view, but an unhealthily realistic one, of Liverpool at that time as a stereotypical city in post-industrial decline. The city laboured for another 10 years under that image of itself, due mainly to Sir Geoffrey Howe's report, "The Managed Decline of Liverpool", which would have consigned the city to oblivion. It was a difficult time to live in the city and to champion it, not least because of the problems there.

Along came objective 1. I mentioned in an earlier intervention the two key levers in Merseyside's case—Bruce Millan and Graham Meadows. I appreciate what was done by MEPs and other interests, but those two men made the moves that enabled Merseyside to get objective 1 funding. That was unique. The Highlands and Islands of Scotland and Northern Ireland got it, but they had Government offices that could act as the interlocutors in all that needed to be done between the Commission and the recipients of the funding. We did not have that.

The Tories set up a monitoring committee, which was a total and abject failure to begin with. I would argue that in some ways it did not improve a lot over time. It consisted entirely of public servants and quangocrats to begin with. The private sector was the first to renege on it. I was told that I could not meet anyone without the express written permission of the Minister concerned, because there was no locus for mere Back Benchers, particularly Opposition Back Benchers, anywhere in objective 1. Nevertheless, we struggled through and obtained objective 1.

We are unique in another sense in that, as far as I am aware, we are the only objective 1 area to get a second tranche of objective 1 support. The reason was simple. It was said that we had not made that 75 per cent. GDP cut-off point, which, at least as far as the statisticians in Europe were concerned, would enable people on Merseyside to stand on their own feet. We were more than grateful to receive it a second time round.

The hon. Gentleman implied, to put it no stronger than that, that we were naive in our optimism following discussions with the Paymaster General. The last thing that the hon. Gentleman can say about me, and about my colleagues on Merseyside, with our long and bitter experience, is that we are naive about these matters. I still have my reservations about the outcome of the negotiations, as we were all right to do. We should be critically constructive in what we want out of those negotiations. But at the end of the day it is the outcome that counts, and whether that form of aid is repatriated does not matter one jot to people in his constituency, my constituency or anybody else's constituency. What they want to see is their material lot improved, in whatever form it takes, and this is a damn good form. I trust the Paymaster General and accept that she was acting in good faith when she assured us that there would be no loss within those regions—that the regions would be supported on the basis of their need.

Other things have happened in the recent past that emphasise how the Government are refining their way of defining need. Now we do not do it on a ward basis, as the hon. Gentleman knows. The Office of the Deputy Prime Minister produces lists of specific output areas to define deprivation. I am keen on objective 1 and on continuing to get a good deal, because the No. 1 SOA for deprivation is in my constituency, as is the No. 10. In fact, the whole of my constituency is in the top 1 per cent. of every one of the deprivation indicators. So I have more than a vested interest in ensuring that whatever funding is coming in remains, in order to benefit those people.

But I do have a problem, and it is one that I discussed with the Chancellor just before Christmas. The main delivery agency is a Lib Dem council, which fails to deliver in an impartial way in the areas of most need. It was difficult before for Government Departments to pinpoint what was happening, but now we can pinpoint that we have a council that is not doing what it ought to be doing in terms of social justice. The figures will pan out in a macro way across Liverpool and Merseyside as a whole, but it will only be by concentrating those in need in specific areas, for the purpose of political gerrymandering, in my opinion. I hope that the Government will address that.

I sincerely believe that the Government will address the need for a long taper that will ensure that the many good projects that are going through, across Merseyside as a whole and in my own city of Liverpool—and, I am sure, in Cornwall, South Yorkshire and Wales—will continue.

Andrew George: I too have no doubt that there are local matters that need to be sorted out locally. I cannot possibly second-guess what is going on within and between councils in the Merseyside region. The hon. Gentleman said that I was accusing him and some of his colleagues of being naive, but I can reassure him that while I was encouraged by the statements made by a variety of Ministers, they do not provide the cast-iron guarantee, which I think is already on the table with regard to the EU. I am not accusing the hon. Gentleman or his colleagues of being supine. Many accusations have been made against me, but I have not made extravagant accusations against him and his colleagues in quite the same way.

Mr. Kilfoyle: I take on board what the hon. Gentleman says. In a grown-up world we all have to recognise that circumstances change. I recall that in an intervention I was making the point to him that government is an organic process. It is not preserved in aspic from one year to the next, as it has to cater for changing circumstances. The object of objective 1 is to enable some areas, whether in Cornwall, Merseyside or South Yorkshire, to compete on the same basis as others. Previously, those disadvantaged areas have not been able even to get into the same ring as the others.

In the case of Merseyside, given that the taper will come in across the country as a whole, I sincerely hope that our share will enable us to carry on with the resurgence that is taking place, together with the other funding streams—I echo the comments of my hon. Friends—which are just as important, and are coming into the area of the hon. Member for St. Ives as much as into mine. If there is real good will in objective 1 areas and a willingness to act objectively in the interests of people there, along with meaningful dialogue in the Council of Ministers, I do not believe that, even given the augmentation of the European Union with 10 accession states, there will be a problem down the line.

We are all big and bold enough to recognise that there will be areas, perhaps like Cornwall, that will need to qualify for some time to come. Some of us, however, are hoping that the programme will be successful in achieving its aim. That is why we are positive about it; it is a damn good scheme. I ask the hon. Gentleman to bear it in mind that the scheme, which was brought in under the Tories against their wishes—they did not want objective 1, and tried to frustrate it—has achieved effects that are undeniable in terms of regenerating areas and uplifting the aspirations and hopes of citizens within them.

6.56 pm

The Minister for Industry and the Regions (Jacqui Smith): I congratulate the hon. Member for St. Ives (Andrew George) on gaining this debate. It has perhaps been longer than some of us might have expected, but it has been a very useful opportunity for many hon. Members across the House, although only on the Labour and Liberal Democrat Benches, to represent their constituencies passionately and to articulate clearly the significance of ongoing support for the parts of our country, as well as countries that are parts of our nation, on which we need to focus attention to ensure that we can achieve the sort of economic growth and prosperity that all those who have spoken want to see for their constituencies.

At the heart of the debate is a call for a positive approach to regional policy and the argument about the best route for funding that regional policy. One of the reasons why the argument has moved on is that, during the time when my hon. Friend the Member for Blaenau Gwent (Llew Smith) was arguing the need for objective 1 in the European Parliament, regional policy in this country was a dirty word. We had a Government who did not believe in investing in ensuring that we closed the disparity in growth rates between different regions in our country and did not believe, as this Government passionately do, in investing in things that will make a difference to productivity in areas that most need them, whether that includes skills, infrastructure, enterprise or new technology. The different context now is that we have a Government who are passionately committed to a strong regional policy and have been willing to invest money behind that commitment.

As the hon. Member for St. Ives gained this debate, let us take Cornwall as an example. The Government are making a major contribution to key regeneration schemes in Cornwall. He listed a range of ways in which the Government are contributing to Cornwall, partly to make a point about the streamlining of funding, to which I shall return later. He also demonstrated precisely the commitment that a UK domestically funded regional and social policy is making to Cornwall and, I suspect, to the constituencies of many other hon. Members who are present.

Let us think about the investment in Cornwall. The Government are providing massive levels of match funding for Cornwall's current objective 1 structural funds programme. We have already provided some £28 million for the first phase of the Combined Universities in Cornwall, which is, as my hon. Friend the Member for Falmouth and Camborne (Ms Atherton) rightly pointed out, a dynamic partnership of higher and further education institutions.

It being Seven o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

Jacqui Smith: We are currently considering proposals for funding a further phase.

We are supporting the work of the Urban Regeneration Company in the constituency of my hon. Friend the Member for Falmouth and Camborne, which is a multi-million-pound investment programme for Camborne, Redruth and Pool. Ambitious plans exist to regenerate the centre of St. Austell. We have recently announced the dualling of the A30, which will constitute a major improvement to Cornwall's road infrastructure.

At the same time, the Government are operating and contributing to a large number of domestic programmes in the peninsula. We are providing £46 million to offer development opportunities for young people in Devon and Cornwall under the Connexions scheme. Cornwall received some £8 million under rounds 4 to 6 of the single regeneration budget. We are providing annual funding of some £750,000 per year for each of seven Sure

Start projects in Cornwall. Those are just a few examples of the Government funding that goes into Cornwall and the Isles of Scilly.

As a Trade and Industry Minister, I am particularly proud of the regional grants from my Department, such as £2.9 million for the renovation of the Pendennis shipyard in Falmouth and £2.5 million for the development of the Tripos pharmaceutical research centre in Bude. Those two projects alone have created or safeguarded more than 400 jobs in the Cornish economy.

We can now boast a dynamic regional policy for Cornwall and for the whole of the UK. My hon. Friend the Member for St. Helens, North (Mr. Watts) is an important proponent of regional policy in all its forms. He made the point that it is essential to understand that three quarters of public spending on regional development in the UK already comes from domestic sources. We must recognise that, under any scenario, that proportion is set to increase further in the near future. The enlargement of the EU and the entry of 10 poorer countries means that EU regional funding will inevitably—and rightly—shift to the new member states. Richer countries, such as the UK, will increasingly depend on national resources to fund their regional development.

Andrew George: I am grateful to the Government for the investment that the Minister has listed. Will she acknowledge that Cornwall's GDP, which is about 65 per cent. of the EU average, is less than that of a significant number of regions within the accession countries that will get objective 1 status?

Jacqui Smith: I certainly recognise the particular issues in relation to Cornwall, but I disagree with the assumption that the future measurement and definition of future objective 1 regions is cut and dried, and I shall go on to explain why. However, I am not attempting to argue that Cornwall does not have particular needs that must be addressed. Through our regional policy, this Government are better equipped than the Government were 10 or 20 years ago to address those points. The new situation requires a fundamental reappraisal of EU regional policy. We are determined to push for the effective reform of the structural and cohesion funds to deliver a good result for the UK and its nations and regions as well as for other EU member states.

Mr. Watts: Although many of us, including myself, believe that the structural funds have been helpful, they have in-built problems—for example, the rigid criteria used to determine how much can be spent per head. Merseyside would, on occasion, have expected to receive more for transport schemes than is given to major schemes such as Liverpool airport. I know that the Robin Hood airport in Yorkshire is looking for resources. I would hope that our scheme or the European scheme allowed far more flexibility locally for deciding priorities. Will that be an aim?

Jacqui Smith: My hon. Friend makes an important point. I shall come on later to the fundamental reappraisal that I mentioned.

We set down our objectives for the reform of structural funds at the beginning of the process. The UK has five main objectives. We want to develop an EU regional policy that fully supports, and adds value to, the ambitious devolution, decentralisation and regional development agenda that we are already pursuing and are committed to domestically. We want to ensure that the structural funds throughout the EU actively support the EU's agenda set at Lisbon, Gothenberg and elsewhere for higher productivity, employment and sustainable development. We want to concentrate the EU's limited financial and administrative resources on the poorest member states, which are most in need of assistance. We want to develop simpler and more flexible implementation and monitoring arrangements for structural funds programmes which are proportionate to the amount of funding available and in which the bureaucracy does not outweigh the potential benefits. Finally, we are determined to secure a fair budgetary deal for the UK taxpayer and a total EC budget of no more than 1 per cent. of EU gross national income.

Andrew George: I need to ask this question of the Minister one more time. She acknowledges that Cornwall's GDP is about 65 per cent. of the average in EU member states and therefore lower than that of many regions in accession states that will benefit from objective 1 status. Does not she agree that those funds should be directed at the poorest regions in the 25 member states, rather than accession states being favoured?

Jacqui Smith: I believe that wherever in the EU regional policy funds come from, they should be directed where the need is greatest, but we do not necessarily need the recycling of resources that means that the richest member states send money to Brussels in order for it to be allocated back to them. The most efficient way is for those countries that have the necessary administrative and financial resources to use domestic resources for their regional policy, supporting regions such as Cornwall. I have no compunction in saying that the county needs support. At EU level, however, we should be focusing on what adds value and ensuring that we focus resources on the poorest member states.

Andrew George: Will the Minister give way?

Jacqui Smith: May I make a little progress first?

That is why we have made detailed proposals for reform as a means of securing those objectives. We propose that in future the richer member states should fund regional programmes from domestic sources and that the EU's limited resources should be focused on the poorest member states where, as I said, that intervention is likely to have the greatest impact and the greatest added value. Interestingly, that would foster genuine EU solidarity and help to ensure that the enlargement of the EU to 25 member states is a success.

At the same time, however—I hope this responds to the hon. Gentleman's concerns—we remain fully aware of the challenges faced by regions in the UK, and particularly those with current objective 1 status, and we are determined to support their continued economic development. It is for that reason that we have made an unprecedented guarantee, if our reform proposals are accepted, to increase domestic funding for regional

[Jacqui Smith]

policy in the UK. If our proposals are accepted, we will increase domestic funding for regional policy by the amount that our regions would have received under a no-reform scenario in an enlarged EU, and focus those additional resources on areas of high unemployment and low GDP, as typically seen in regions with current objective 1 status and in the constituencies of hon. Members who have contributed to the debate.

Andrew George *rose—*

Jacqui Smith: The hon: Gentleman asked me for more detail about the guarantee, and I am about to come to that. Does he still want to intervene?

Andrew George: I do. The Minister has repeatedly used the term "region". Will she clarify whether these funds would go to the Government regional development agency zones or to the EU regions where programmes exist because of the special problems in those areas?

Jacqui Smith: As I said, we have not decided on the detail of the delivery arrangements for the additional money. My hon. Friend the Member for Liverpool, Walton (Mr. Kilfoyle) made an important point about our ability to be much clearer about where we are able to focus resources. If it will reassure the hon. Member for St. Ives and my hon. Friend the Member for Falmouth and Camborne, I repeat that I am not trying to argue that Cornwall is not a needy area of the UK—it is, and I would expect any future arrangements to be able to focus resources on it because of its particular needs.

I want to return to the guarantee. The hon. Member for Truro and St. Austell (Matthew Taylor), who paid a short visit to the debate to pour scorn on the Government's guarantee, is not here to hear what I hope will be my reassuring comments about it. The Government set out the detailed methodology for applying the guarantee in their written statement to Parliament of 11 December 2003. I have already spelled out in broad terms what that would be. It is not possible at this stage to calculate the exact value of the guarantee, just as it is not possible to calculate the exact value of future structural funds receipts under the different reform scenarios that are being proposed by the Commission, because structural funds are allocated by reference to statistics on regional economic performance across the EU in the most recent three years for which data are available prior to the programming period. We are probably unlikely to have those data until the end of 2005 or the beginning of 2006. Frankly, anybody working on the basis of those figures at the moment is using data that, at the very best, will be outdated.

Hon. Members expressed concern about the duration of the guarantee. I stress that the Government have made it clear that the guarantee would apply for the full period of the next cycle of the structural funds programme. We fully recognise the benefits of long-term budgeting and planning. It should not be forgotten that we introduced three-year spending review plans, which have become the accepted basis of public spending, or that in some areas we have made spending assumptions over an even longer period than that. This guarantee is one of those examples of an area where the Government have made a long-term spending commitment for more than three years. That reflects our very strong commitment to regional development.

I was asked whether this is new or additional money. The guarantee would be subject to the same additionality requirements as current structural funds allocations to ensure that the new money does not replace pre-existing structural expenditure. So that means that the guarantee would be entirely additional to the Government's current domestic expenditure on regional development, including the domestic resources that are used to co-finance structural funds programmes in our regions.

Andrew George: I am grateful for the clarity with which the Minister is responding to specific questions. That is extremely helpful. However, a Labour Member made the point that the political cycle in the UK can be no longer than five years. How can the Minister guarantee funding for the same length of time as the EU, which can fund a seven to nine-year programme, when the political cycle in this country is only five years?

Jacqui Smith: First, the EU cannot guarantee—and has not yet guaranteed—funding for the period that the hon. Gentleman mentions. I shall say more about that shortly. Secondly, of course we are all subject to changes of Government. Given that the hon. Member for Montgomeryshire (Lembit Öpik) suggested that the only two alternatives are a Labour Government or a Liberal Democrat Government, we have nothing to worry about if we can believe Liberal Democrat pledges. However, it would be difficult, given the strength of the commitment that we have made in the guarantee and its multi-year nature, for any Government—although I do not expect a different Government—to go back on it.

Hon. Members asked about the way in which we deliver the guarantee. As I said, we have not worked through the details of the administrative arrangements, but we have made it clear that we want to build on the positive aspects of current structural funds programmes, including devolved delivery, the sort of partnership working to which the hon. Member for St. Ives referred and multi-annual funding. I shall have to depend on the efforts of my hon. Friends the Members for Knowsley, North and Sefton, East (Mr. Howarth) and for Liverpool, Walton to deal with the difficulties of Liberal Democrat Liverpool council, but I have every faith that they will do that.

Mr. George Howarth: My right hon. Friend, like several other Ministers, is welcome to join us in that little enterprise.

Jacqui Smith: If my hon. Friend examines my constituency majority, he will realise that I have other fish to fry. However, if I have any spare time I shall be up there to help. I hope that I have given some reassurances about the guarantee.

Mr. Watts: Will my right hon. Friend clarify exactly what the guarantee reflects? Many Labour Members

believe that the poorer areas should be no worse off than they would have been had enlargement not taken place. We accept that resources need to go to the new areas, but we do not believe that the poorest regions should pay for enlargement. Will she give us some assurance about that?

Jacqui Smith: I think that I have spelled out what the guarantee would mean. It would maintain the same criteria, but in a post-enlargement environment. Of course, that relates to only a quarter of resources that come into regions from structural funds. My hon. Friend and other hon. Members who represent similar areas will continue to argue for increased investment in our regions. I simply point to the Government's record, which has been of continuous increased investment in the sorts of constituencies that hon. Members who are present represent.

It is also important that the process engages stakeholders. We are holding an ongoing dialogue on that. As my hon. Friend the Member for Falmouth and Camborne said, and following the strong representations that she and other Cornwall Members of Parliament—I have to say that she, in particular, is on my back—have made, my hon. Friend the Economic Secretary has worked with key Cornish stakeholders, including Cornwall county council, Cornwall Enterprise and the South West of England Regional Development Agency, to discuss future arrangements and how to ensure the most effective funding deal for Cornwall. We have especially considered different funding streams and how we can use them as flexibly as possible to ensure that, as my hon. Friend rightly says, the funding gets to the areas of Cornwall where it is needed, that it is maximised most effectively and that the best use is made of it.

Let me turn now to the Commission's proposals for reform of the funds. I can understand why hon. Members want to compare the Government's proposals with what they believe to be on offer from the Commission. The Commission's proposals were set out in its third cohesion report of February 2004 and in a package of draft structural and cohesion funds regulations for the next financial perspective, which was published in July 2004.

The Government welcomed aspects of the Commission's approach, including its proposals to strengthen the strategic focus of EU regional policy on the Lisbon and Gothenburg agendas. However, we have serious concerns regarding aspects of the Commission's approach. First, that approach is—in our view, and in the view of the majority of contributors to the budget—dependent on an unaffordable expansion in the EC budget. The Commission is advocating a major 33 per cent. real-terms increase in the structural funds budget for the next EC financial perspective. We oppose that considerable increase, but the hon. Member for St. Ives gave the impression—I do not know whether he meant to—that what we were proposing in our financial perspective negotiations was somehow a cut in the available funds. That is not the case. A 1 per cent. of EU gross national income budget in Europe is still an increase on the current financial perspective—an increase, in fact, of 6.5 per cent. in real terms. So, yes, we are arguing that we need resources to go into that project. We are also arguing, however, that they should be spent in a way that adds the most value.

Secondly, the Commission's proposals fail to focus the EU's limited resources on key priorities such as the economic development of the poorest member states. This is where the proposals fail the test of whether they are focusing in the right area because, at European level, that should be where those resources are focused. Thirdly, the Commission's proposals do not go far enough to simplify the bureaucratic arrangements for implementing programmes or to give member states, their nations and their regions greater flexibility to deliver programmes that genuinely reflect local needs.

The hon. Members for St. Ives and for Montgomeryshire, and my hon. Friend the Member for Knowsley, North and Sefton, East rightly mentioned the range of Government programmes and initiatives, but argued that in some cases they were too fragmented and bureaucratic. I have some sympathy with that argument, and the Government are currently working on ways of ensuring that those many different funding streams can be more coherently brought together in the regions.

However, when we talk about bureaucracy and difficulty, it is usually the EU structural funds programmes that are the villains of the piece. In 2003, the Government commissioned an independent study by Ecotec Consulting on the added value of structural funds programmes in the UK, which reported that the administrative processes for delivering structural funds programmes were widely described as a burden and as more resource-intensive than domestic programmes. Of course, one of the things that causes fragmentation in objective 1 regions is the distinction between whether the money is coming through a structural funds route—with all the administration that that involves—or through a domestic route. The domestic route might also involve administration and bureaucracy, but what we have set up by sending the money through both the European and domestic routes is an additional fragmentation, and our proposals would help to overcome that in relation to the delivery of programmes and funding.

Andrew George: Does the Minister accept that a large number of EU member states that enjoy objective 1 status bring together both nation state and EU funding programmes in the form of a one-stop shop, involving one place of entry and one application form? They bring the administration together so that the people involved who have to interface with the process are not faced with complexity and bureaucracy. It has therefore been possible for a large number of European states to overcome the kind of bureaucratic difficulties that she has described.

Jacqui Smith: I do not disagree with the hon. Gentleman on that. A lot of work in the UK has gone into making sure that that administration is as smooth as possible. My hon. Friend the Member for Vale of Clwyd (Chris Ruane) rightly praised the work of those involved in the management of structural funds programmes in making sure that that is as effective as possible.

What do our proposals mean for current objective 1 regions in the UK? I am aware that the Commission's expansionist budgetary proposals hold superficial attractions for some UK stakeholders. As I have tried to

[Jacqui Smith]

explain, however, the Commission's proposals would, in our view, offer a poor deal for the whole UK and no security for our objective 1 regions. In contrast, the Government's approach offers a genuine guarantee of continued funding for our poorest areas, and a fair deal for the taxpayer.

First, it is important to understand that the Commission's proposals in no way constitute a credible offer of funding for the UK's regions. As I suggested earlier, net contributors to the EC budget, such as France, Germany, Austria, Sweden and the Netherlands, are firmly opposed to the Commission's budgetary proposals and share the UK's determination to maintain that total EC budget of 1 per cent. of EU GNI. Liberal Democrats have a touching faith in the Commission, which, perhaps understandably, they do not have in a Labour Government. They have faith, however, in Commission proposals that promise money from a pot that does not yet even exist, and which will not be agreed by member states. The debate needs a bit of reality.

Secondly, it is essential to remember that money does not come from Europe as if by magic. As one of my hon. Friends pointed out, the UK is a net contributor to the EC budget. All receipts from the EU will come at a cost to the UK taxpayer. It is not free money—currently, we contribute about €1.6 for each €1 that we receive. Therefore, in order to continue to receive substantial structural funds receipts following enlargement, it is inevitable that the UK will have to make much greater contributions to the EC budget, leaving less money available for domestic spending on regional policy.

Andrew George: The Minister says that the debate needs reality, but it also needs parity. It is not beyond the wit of man or woman to conceive of a scheme that allows for a 1 per cent. budget but that also targets that money at those regions in Europe that are entitled to objective 1 aid. That would mean that regions in some of the 15 earlier member states would be entitled to objective 1 status, just as the accession states will be.

Jacqui Smith: But the argument comes back to whether we want to see contributions being recycled from richer member states back down to richer member states, through Europe, or whether we want to focus domestic resources on regional policy. That is part of the fundamental difference that we have.

In contrast to the Commission's proposals, the Government's guarantee represents a firm commitment, if our approach to reform is adopted, to increase resources for regional policy in the UK for the whole of the next structural funds cycle. We therefore believe that the guarantee offers far more certainty for current objective 1 regions than the Commission's unrealistic and unsustainable approach.

Fundamentally, I want to underline again this Government's determination to tackle persistent regional disparities within the UK and to achieve a successful outcome to the negotiations on reform of the structural funds. We are convinced that our reform proposals, and perhaps even more importantly our proven commitment to regional policy, will ensure the best deal for the UK's nations and regions. We will set EU regional policy on a sustainable footing. We will ensure genuine solidarity between member states. We will also ensure prosperity and continued economic growth in the constituencies of hon. Members present here today.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Seven o'clock.

House of Commons

Thursday 13 January 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Dairy Industry

1. **Mr. David Heath** (Somerton and Frome) (LD): What recent assessment she has made of the profitability of the dairy sector. [207843]

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): Profitability varies between farmers within the industry. The difference between the most efficient quartile of producers and the least efficient is of the order of 12p a litre, which is an enormous range when one considers the cost of production against the farm-gate price of about 19.6p. The 2003 KPMG report found that dairy processor profits and margins were not out of line with those of other food sector companies.

Mr. Heath: The right hon. Gentleman takes an extraordinarily sanguine view of the fact that we are losing dairy farms at the rate of 40 a week; that we have lost a third of dairy farms since 2000; and that dairy farmers on average earn less than £3 an hour for a 70-hour week. The fact is that farm-gate prices go down while supermarket margins go up. It is clear that the supermarket code of conduct is not adequate to the task of regulating the industry. Does he intend to take action or is he simply going to wait for the extinction of the British dairy farming industry?

Alun Michael: I was not sanguine; I simply gave the hon. Gentleman the facts. He seems extraordinarily pessimistic. The production of milk is at roughly the same level as it has been in recent years. There has not been a large drop in production, although he is right to say that some producers have gone out of dairy production—because they have taken business decisions to move elsewhere or because they have found it difficult to make a profit from milk. That is illustrated by the big difference in profitability between farmers. We want a sustainable and competitive industry. That must involve bringing up the efficiency and profitability of those at the lower end of the scale whom I have mentioned. That is being addressed both by the industry and by the Government. That is why my noble Friend Lord Whitty has put so much effort into working with the dairy supply chain forum, which has a clear focus on efficiency and profitability.

Mr. David Drew (Stroud) (Lab/Co-op): My right hon. Friend will be aware that the Select Committee investigation into the dairy industry found a level of distrust between the different sectors that is hard to see in any other industry. One of the major ways in which it was felt that the producers could fight back was by much larger-scale co-operation and, dare I say it, as a Co-operative Member like my right hon. Friend, co-operatives. What are the Government doing to encourage the formation of such co-operatives to ensure that the producers have an effective voice and a means of organisation?

Alun Michael: Primarily, we are working with the forum to which I referred. I am aware of the way in which various co-operatives are pressing for change. Two of the leading co-operatives in the industry have campaigned, along with the National Farmers Union, on the price received by farmers at the farm gate. It is clear that that engagement in the industry, and our engagement in supporting the industry and seeking to create a sustainable future, is the right way to go.

Sir Nicholas Winterton (Macclesfield) (Con): Does the Minister accept that many of us on the Opposition Benches are not seeking to score political points—*[Laughter.]* No, seriously. The situation facing the dairy producer in the United Kingdom is dire. We could lose the industry, as the hon. Member for Somerton and Frome (Mr. Heath) said. Many of us regret the passing of the Milk Marketing Board, which was the most effective co-operative that has ever existed. Will the Minister look at the profit that the superstores are making as against the profit—very little—made by the producers?

Alun Michael: The hon. Gentleman always lets us know when he is making a partisan point, and he is clearly not doing so on this issue. There is a danger of being over-optimistic or over-pessimistic on this issue. I said that there was an extraordinary variation between some farmers, who are doing quite well and producing at a profit, and others. I ask the hon. Gentleman to pay particular attention to the fact that I gave, that there was a difference of 12p a litre between the top and bottom quartiles of farmers' costs of production. That obviously makes a big difference to profitability.

The supermarket code of conduct is being reviewed as a result of the work of the Curry commission and its report. The Office of Fair Trading initially concluded that there was some evidence of problems within the code, but that little hard evidence had come forward. It has therefore worked on a compliance audit. We all look forward with great interest to the findings of that proactive look at the way in which the supermarkets operate and their relationship with the farming industry.

Mr. Brian Wilson (Cunninghame, North) (Lab): Does my right hon. Friend agree that value-added products are one way of increasing the sector's profitability? Does he share my puzzlement that one can walk into a supermarket and see the shelves lined with value-added

dairy products produced by vertically integrated co-operatives on the continent, while such co-operatives in this country are deemed anti-competitive?

Alun Michael: Certainly, value-added products are an important opportunity for the industry. There are two considerations—the farm-gate price for milk and producers gaining more profit from suppliers. Historically, in most European countries, more processing arrangements have been owned by farmers. The co-operative movement was invented in this country, but was exploited more by farmers in many other countries than by our own farmers. Obviously, the important thing is to help the industry become as competitive as possible in the interests of both the consumer and a long-term sustainable industry.

Charles Hendry (Wealden) (Con): Is the Minister aware that even the most efficient dairy farms are closing down? The largest one in my constituency, which had 500 dairy cows and a £2 million investment in the most modern milking facilities in the south-east of England, recently closed because it could not become profitable. We are reaching a stage where the only profitable dairy farms are those relying on cheap family labour, where family members are not paid a proper wage for their work. Will the Minister take on the supermarkets, whose pricing policies have led directly to a situation in which efficient dairy farms are closing down and there is an increasing reliance on imported foreign milk?

Alun Michael: First, on the supermarkets, it is important to wait for the report by the Office of Fair Trading which, as I said, has been looking proactively at their relationship with farmers. Members on both sides of the House may well wish to look at that report when it is published. As for profitability, major investment by some producers has made it difficult for them to remain profitable in the market, but as I suggested, there is an extremely large variation in profitability between the top 25 per cent., which is composed mostly, but not exclusively, of large producers, and the producers at the bottom end who may find it difficult to maintain production. Significantly, the production of milk in this country has not gone down, even though some farmers have moved out of milk production.

David Taylor (North-West Leicestershire) (Lab/Co-op): Further to those figures, if Mr. Micawber was a million-litre midlands milk producer with median costs of 22p a litre, he might say that a 20p farm-gate price equals ruin but a 24p farm-gate price equals prosperity. Is it not the case that the retailers are taking an excessive slice of the retail price? The investigation chaired by my hon. Friend the Member for Stroud (Mr. Drew) found it impossible to determine the actual distribution of 18p per litre of the price paid by the consumer. What is happening?

Mr. Speaker: I hope that there is some chance that the hon. Gentleman will make his supplementary questions brief. That certainly was not brief.

Alun Michael: The current farm-gate price is, I believe, 19.6p, so clearly producing milk in excess of that would not be profitable. In 2003, the KPMG report found that 60 per cent. of milk was produced profitably for farmers, which, as suggested by the large variations between the top and bottom quartiles, implies that for some people production is not profitable. I recommend that my hon. Friend chooses as his weekend reading the report by the Milk Development Council published in August 2004, as it demonstrates that, although the proportion of the price taken by the supermarkets has increased in the past 10 years, another 10 years before that the proportion that they took was roughly what it is now. One must therefore take a careful look at the matter, and that is precisely what my noble Friend Lord Whitty is doing with the forum that represents the farmers and the dairy industry, which we want to be sustainable in the long term.

Mr. Owen Paterson (North Shropshire) (Con): The profitability of the sector is being significantly reduced by bovine tuberculosis, which the Government have described as an epidemic and which they predict will cost £2 billion over the next 10 years. What is their assessment of the likely improvement in profitability in the UK if they implemented the wildlife management measures introduced in Ireland, which delivered a 96 per cent. reduction in infection risk in Donegal?

Alun Michael: I find it interesting that the hon. Gentleman did not follow the questioning of hon. Members on both sides of the House about enabling the dairy industry to be competitive and successful. There are recently published results from the Irish four areas badger culling trial, which we are studying with great interest. We are asking the independent scientific group on cattle TB to look at those findings and assess their relevance to the situation in the UK. That will lead us to conclusions which, I am sure, will be debated with great interest by hon. Members of all parties.

Andrew George (St. Ives) (LD): I am not sure that the Minister properly reflects the deep seriousness of the situation. There have always been variations in the input and profitability of dairy farms, and no doubt there will be in future. He has to accept that public subsidies that go to dairy farms have been siphoned off into the profit margins of supermarkets. Report after report from the Select Committee and the Milk Development Council all confirm that dairy farms have been losing, out while supermarkets have been creaming it. Rather than circumnavigating further mulberry bushes with inquiries and committees, the Government should act. Why do they not act, as they did to break up Milk Marque four years ago and—

Mr. Speaker: Order. The Minister can answer.

Alun Michael: Thank you, Mr. Speaker. It is a complicated matter. We are trying to move to a situation where demand dictates production. That must be good for the health of the industry in the long term. The current level of production means that some goes into low-level and therefore low-return uses—generic rather than branded butter and other products, such as powdered milk and so on. As I said earlier, the level of production is comparable to that before some producers moved out of dairy. That is why it is so important to relate the activities and how the industry develops to how the market moves.

Marine Environment

3. **Paddy Tipping** (Sherwood) (Lab): What recent representations she has received on the need for legislation to protect the marine environment. [207845]

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): There is widespread support for new legislation to manage and protect the marine environment better. This is why we have announced in the DEFRA five-year strategy that we will introduce a marine Bill to deliver our vision of clean, healthy, safe, productive and biologically diverse oceans and seas.

Paddy Tipping: That is good news. This is a complicated area where there are conflicts. Is not the best way forward to produce a draft Bill soon, so that all the interests have an opportunity to comment on it and we get decent, thoughtful legislation?

Mr. Morley: I am a strong supporter of the draft Bill process. It makes for good legislation. As my hon. Friend says, this is a complicated area, which is why we have taken the decision to introduce a marine Bill. As part of that, we need to consult across Government, because various Departments, agencies and interests are involved in marine management. We want to rationalise it and move towards a much stronger ecosystem-based approach.

Mr. John Gummer (Suffolk, Coastal) (Con): Does the Minister agree that such a marine Bill would operate in the context of the particular threat to the sea of climate change? Why, then, are the Government threatening to sue the European Union for trying to put a cap on the runaway emissions from British industry?

Mr. Morley: The European Union pressed the Government to produce at a very early stage draft proposals arising from our calculations relating to the emissions trading scheme. Those calculations have been refined by Department of Trade and Industry modelling. It was always made clear to the EU that our proposals were in draft, were not complete and would be amended. According to our legal advice, the EU is under an obligation to consider amendments, but it has refused to do so. That is why we have taken legal advice.

Mr. David Kidney (Stafford) (Lab): Will my hon. Friend accept my support for a draft Bill as suggested by my hon. Friend the Member for Sherwood (Paddy Tipping)? How would new legislation be enforced and how would it relate to EU-wide activity on marine conservation?

Mr. Morley: There are both EU directives and laws and national laws on marine management. One of the proposals that we will consider is whether a role exists for a marine agency to streamline fisheries management and a range of other management issues in the marine environment.

Mr. Robert Key (Salisbury) (Con): I do not detect enough urgency. The Government have discussed the issue for some years; they have seen private Members' Bills being talked out; and they are now discussing another five-year think. The matter is urgent, and the scientific, environmental and spatial planning cases for a marine Bill are overwhelming. We must address the issue with greater urgency than the Minister has suggested today.

Mr. Morley: Let me clarify one point: the proposal is within our five-year strategy, but that does not mean a five-year process. We want to move forward as quickly as possible, bearing in mind that we must go through a full consultation, and I am sure that the hon. Gentleman is, like the Government, committed to that principle. He knows, too, that a Conservative Back Bencher introduced a private Member's Bill, which the Government backed and which Conservative Members in the other place destroyed.

Mr. Tam Dalyell (Linlithgow) (Lab): Can we clarify the record? Opposition Front Benchers say that that private Member's Bill was talked out, but, quite disgracefully, maverick Tory peers, not the Government, talked it out.

Mr. Morley: My hon. Friend, who has been interested in the issue for a long time and who has a distinguished record, is right. The talking out of the private Member's Bill was linked to vested interests that felt that a marine Bill would stifle their commercial objectives. The idea behind a marine Bill is to balance commercial operations in the sea such as oil, gas, renewables, ports and dredging with proper, sound, sustainable environmental management.

Waste Electrical and Electronic Equipment

4. **Dr. John Pugh** (Southport) (LD): What discussions the Department has had with companies producing electrical and electronic equipment on the need to reduce waste arising from such equipment. [207846]

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): The Government have consulted extensively with stakeholders, including producers, throughout negotiation and planning for implementation of the waste electrical and electronic equipment directive.

Dr. Pugh: Does the Minister agree that the marketing strategies, maintenance policies and planned obsolescence used by key players in the industry are compounding the problem of electronic waste? We face an increasing waste mountain of perfectly functional VHS recorders, analogue TV and radio receivers, computers, and DVD players that play but will not record.

Mr. Morley: The hon. Gentleman makes a reasonable point. Part of the problem is that technology moves on, but I sympathise with his point. One of the advantages of the new WEEE directive is that it is based on producer liability, which providers manufacturers with a powerful incentive to ensure that they build methods of recycling and reuse into their products. That is in their interests, because take-back will be their responsibility in the future.

Mr. Andrew Turner (Isle of Wight) (Con): When Councillor Julian Whittaker asked Isle of Wight council why it has a warehouse full of redundant electrical equipment, including telephones, computers and photocopiers, he was advised that its possession of those negative value assets was due to the cost not only of dismantling that equipment but of data removal, and that it was impossible to dispose of the equipment for that reason. Will the Minister assure the House that old equipment, as well as equipment that is coming online today, can be disposed of without excessive cost?

Mr. Morley: The recycling of computer equipment is important. Well established organisations and companies take and recycle IT equipment. The hon. Gentleman's point concerns the cost of IT removal. Local authorities raise many issues with me, but that issue is new, and I do not know whether a local issue has occurred. I would not claim to be an IT expert, but I know that there are well established methods of removing data from redundant equipment and storing it and backing it up in archives. Isle of Wight council may wish to take some technical advice on that.

Game Birds

5. **Mr. Archie Norman** (Tunbridge Wells) (Con): What her policy is on regulation of the game bird industry. [207847]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): We plan to liberalise the game laws to help to boost the game bird industry while continuing to improve hygiene and welfare standards.

Mr. Norman: Will the Minister take this opportunity to acknowledge the real and growing contribution to rural employment that is made by the game bird and shooting industry, which employs more than 26,000 people? In the light of the passing of the Hunting Act 2004, as well as the pro-regulatory views expressed by the Select Committee on Environment, Food and Rural Affairs and by animal welfare groups, will he reaffirm the Government's commitment to the principle of self-regulation of the game bird and shooting industry? To what extent has he considered the case for deregulation, particularly of the anachronistic provision for licences to shoot and to sell game?

Mr. Bradshaw: I am happy to give the hon. Gentleman all the assurances that he seeks and to confirm that the Government intend, subject to consultation, to abolish game shooting and dealing licences, which are archaic. That will give a welcome boost to the game shooting industry.

Mr. Henry Bellingham (North-West Norfolk) (Con): Does the Minister agree that game birds are a very healthy alternative to factory-produced poultry, and what does he intend to do to improve the marketing of game?

Mr. Bradshaw: Again, I agree with the hon. Gentleman. Game is extremely nutritious and tasty, and contains some of the vital oils that are shared with oily fish, which we know to be very good for one's health. The Government already give marketing help to the industry through various grants. We hope that one of the consequences of doing away with some of this archaic legislation—I have to say that that was not dealt with under the Conservative Government—will be a welcome boost to the shooting and game dealing industry, ending the ludicrous fact that game can be sold only for very limited periods of the year.

Sugar

6. **Mr. George Foulkes** (Carrick, Cumnock and Doon Valley) (Lab/Co-op): What representations she has received regarding discussions with the European Union concerning changes to the African, Caribbean and Pacific sugar regime. [207848]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): My ministerial colleagues and I have received a number of representations on behalf of ACP countries highlighting concerns about the possible consequences of EU sugar reform for their industries.

Mr. Foulkes: I urge my right hon. Friend to fight like a tiger in Europe against the sudden price drop proposed for Caribbean sugar, which will cause havoc to many small islands' fragile economies and perhaps turn them on to growing illicit crops, with a consequent effect on security and law and order, not only in the Caribbean—particularly Jamaica—but on our own streets.

Margaret Beckett: I understand the seriousness of my right hon. Friend's point. I assure him that the British Government attach great importance to the need for transitional measures to mitigate the impact of sugar reform on existing preferential suppliers as a group, and particularly the ACP. However, I am sure that he accepts that the existing regime, which is due to expire in 2006 anyway, and has the effect of keeping the price of sugar three times above world levels, is not sustainable in the long term.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): The right hon. Lady referred to changes to the existing regime. I am sure that she would acknowledge that those changes could have a serious impact on the future of UK sugar producers. Will she have urgent talks with the Chancellor designed to reduce the duty on the relevant biofuels so as to make the production of alternative fuels more attractive?

Margaret Beckett: The House may wish to be reminded that although we cannot have a detailed assessment of the likely impact of changes in the regime until we see the more detailed regulations, we have published on our Department's website an independent study carried out by Cambridge university and the Royal Agricultural College examining the possible impact of a range of options in the field of reform. It is unquestionably true that this would lead to changes in every member state. It is also true that some of those changes could reduce production levels, again in every member state.

I entirely take the right hon. and learned Gentleman's point about biofuels, but he will know that there is much discussion between our Department, the Department for Transport and the Treasury about this issue, and there is no unwillingness on the part of the Treasury to do what can be done to stimulate the market for biofuels. There is, however, reluctance to take steps that might not stimulate British production but draw in imports. Only on that matter is there any dispute, and we continue to keep it under review.

Mr. James Paice (South-East Cambridgeshire) (Con): The Secretary of State is right that the current regime is not only due to expire but needs reform. She is also right to refer to the implications for our traditional cane suppliers from the African, Caribbean and Pacific countries and the need for structural help to face the changes. I am sure that she agrees that there will be price reductions—we do not know the extent of them—and quota cuts. What is the Government's attitude to the Commission's current proposals, which may alter, to change the whole system of quota cuts so that Britain would take a much greater hit than we would sustain if the current mechanism for cutting quotas remained unchanged? Will she resist the Commission's proposals to change the mechanism for cutting quotas?

Margaret Beckett: I am afraid that I do not entirely share the hon. Gentleman's view. It is and always has been the Government's purpose to defend British interests as vigorously as we can, and we have a good track record of doing that. However, there is something to be said for the Commission's general approach. It is too early to predict the Commission's further detailed proposals because, as hon. Members know, the Commission has understandably said that further sets of proposals are unlikely until the EU's appeal against the World Trade Organisation case has been heard.

The Commission's existing proposals will have an impact on every member state. The independent review suggests that the likely scenarios would lead to reduced production of sugar beet here, but that the impact would be significantly lessened if growers restructured and/or reduced their costs. A range of measures might mitigate the impact on the British industry. The hon. Gentleman can rest assured that we will do our utmost to achieve the best long-term outcome for the British industry.

Municipal Waste

7. **Simon Hughes** (Southwark, North and Bermondsey) (LD): What steps she is taking to reduce the amount of biodegradable municipal waste being sent to landfill sites. [207849]

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): The Government have several mechanisms in place to reduce the amount of biodegradable municipal waste going to landfill. The most important are the landfill allowances trading scheme, the waste implementation programme and the £3 per tonne annual increase in landfill tax, which will lead to a rate in the medium term of £35 per tonne.

Simon Hughes: I am grateful for the reply, and I support the Government's initiative. However, given that—almost incredibly—more than a third of landfill comes from the food industry, and that a national charity called FareShare, which is based in Bermondsey but works throughout the country, takes quality unused food and redistributes it to organisations such as those that deal with the homeless, will the Minister examine the reasons for the sudden loss, with no notice, of Government support for that organisation, which contributes so much to reducing landfill? Will he talk to his colleagues in the Treasury and elsewhere to reinstate the support, because FareShare makes a huge ethical and practical contribution?

Mr. Morley: I understand the hon. Gentleman's point and I have a great deal of sympathy with FareShare's work. He will appreciate that the top objective for proper sustainable management must be to minimise waste. That is the Government's objective.

The issue about FareShare and the way in which it fits in is complex and the hon. Gentleman may appreciate a bit more detail. I am happy to write to him about that.

Mr. Peter Pike (Burnley) (Lab): As my hon. Friend the Minister says, the main objective must be to minimise waste, because even in counties such as Lancashire we are running out of holes in the ground in which to dump the rubbish. Does he believe that we have satisfactory arrangements and plans for the authorities that are responsible for the collection and disposal of waste? There are supposed to be plans for the whole country. Are they working in the best way for minimising waste that goes to landfill?

Mr. Morley: My hon. Friend makes a good point. The Government believe that there is much scope for better co-ordination and better working within the two-tier authorities—those that have both a waste collection authority and a waste disposal authority. The Waste and Emissions Trading Act 2003 contains powers to impose an obligation for closer co-ordination between those two tiers and the Gershon review makes recommendations on efficiency savings. Those provisions are part of the Government's agenda and the issue is being addressed now.

Mr. David Curry (Skipton and Ripon) (Con): Given that disposable nappies account for 2 per cent. of the volume of waste being produced—to which my three grandchildren under the age of one are making their contribution—would it not be useful to conduct a proper economic analysis of the relative environmental costs of reusable and disposable nappies? There is no simple formula and such an analysis would enable institutional users such as health trusts to understand which was the more environmentally friendly option.

Mr. Morley: The right hon. Gentleman makes a valid point. Various whole-life assessments and calculations in relation to energy and cost have been made in the argument about disposables versus reusables and the Environment Agency has commissioned a detailed study of exactly the kind that he asked for. I think that it is undergoing peer review, but it will be made publicly available in due course.

Sugar

8. **Hugh Bayley** (City of York) (Lab): What progress has been made with reform of the EU common agricultural policy sugar regime. [207850]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): As already reported to the House, the November 2004 Agriculture Council broadly accepted that the existing EU sugar regime was unsustainable. We are still awaiting detailed legislative proposals from the European Commission to take forward the approach first set out in its communication of July 2004.

Hugh Bayley: I am glad that the Commission recognises that change must happen. The EU needs to cut its sugar production if we are to stop dumping our surplus on the world market. Does the Secretary of State agree, however, that it is important for the cuts to be made on the basis not of a carve-up between nations but of the least efficient producers in Europe being the ones to go, so that efficient producers such as British Sugar can remain in business?

Margaret Beckett: It is important and necessary for all member states to take proper account of the changes that are being proposed. Throughout the discussions on CAP reform—including those on issues that have already been agreed and those on sugar—it has been the aim of this Government to ensure that we have an agriculture regime that is efficient and responsive to the market and which does not have the distortions, either within the single market of the European Union or in the world market, that past regimes have had.

Mr. Michael Jack (Fylde) (Con): Does the Secretary of State accept that, in this time of change for the British sugar beet industry, the construction of a UK bioethanol plant is of particular importance? Does she accept the illogicality of her earlier answer, in which she suggested that she was worried about imports of biofuels to meet our European requirements in the context of blending petrol and biofuels? The best way to deal with this would be to have a plant in the United Kingdom. Will she explain to the House the paradox of her Department's support for such a plant, while we do not, at present, have one?

Margaret Beckett: I am conscious of the fact that the right hon. Gentleman chairs the Select Committee on Environment, Food and Rural Affairs, which takes a view similar to that of the Government on the overall prospects for sugar reform and the need for such reform. I very much welcome that. On bioethanol, perhaps I did not express myself with as much clarity as I would have wished. I did not mean to suggest that there was a dispute over whether there was support for a bioethanol industry. That support exists and he will know that the Chancellor has already offered generous cuts in taxation to help to stimulate that market. It is now a matter of what further steps might be taken to stimulate production. Other matters, such as the availability of capital grants, are also being considered.

Mr. Ian Davidson (Glasgow, Pollok) (Lab/Co-op): Does the Minister agree that reform of the sugar regime should provide an opportunity for a section of British farmers to break away from the welfare dependency culture that seems to be prevalent among so much of the agriculture industry? Is it not ironic that the Tories consistently oppose subsidies, except when they and their friends are receiving them?

Margaret Beckett: Far be it from me, normally, to be terribly fair to Conservative Members, but on this occasion, I must admit that my hon. Friend is being uncharitable to them, because the Select Committee certainly supports a reform of the sugar regime, and, as far as I am aware, so do the Conservative Front Benchers. Certainly, there is now widespread acceptance across the House that we do not want the persistence of a regime that, as he rightly said, has encouraged dependency. We want an efficient and well run single market in agriculture, as in other industries. In every part of the House, people are confident that British farmers are more than capable of holding their own in such a market.

Mr. John Bercow (Buckingham) (Con): Given that, since the advent of the "Everything but Arms" initiative, Mozambique, Ethiopia and Malawi have sustained losses of approximately $238 million as a consequence not of trade-distorting subsidies but of barriers to market access, does the Secretary of State agree that western policies in this field are both morally wrong and economically counter-productive? In seeking to take the matter forward, it is essential to bear it in mind that, as well as getting rid of the subsidies, we must open the market to give the poorest people in the world the legitimate opportunity to compete and grow. Our constituents expect nothing less.

Margaret Beckett: The hon. Gentleman makes an important and powerful point, and as ever, he does so extremely well. I am absolutely mindful of the fact that it is hugely important that this reform is seen not only as worth while and important in its own right but as part of the context of a wider agenda of trade reform. It has become increasingly clear that the expectation of our fellow European Union members is that this issue will play a large part during the British presidency of the EU in the second part of this year. The hope is widely held that the matter can be resolved as far as possible in that presidency, precisely in order to get the negotiations on the right road before the talks on the Doha round that are due to take place in Hong Kong in December. All of us in politics are paid what we might regard as dubious compliments from time to time. One that has recently been paid to my Department and me has been the clearly and strongly expressed view of our predecessors in the presidency that the matter should be left to us to resolve.

Waste Services (Efficiency Gains)

9. **Tim Loughton** (East Worthing and Shoreham) (Con): What steps her Department plans to take to help local authorities deliver efficiency gains in waste services. [207852]

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): DEFRA will provide support for stronger local authority procurement skills and for greater joint working between tiers of local authorities and among adjacent local authorities, and work with the waste market to ensure effective delivery of new facilities as landfill diminishes in importance.

Tim Loughton: Will the Minister therefore pay tribute to the two councils in my constituency, Adur and Worthing—both Conservative controlled—working in partnership and with West Sussex county council, which have been innovatory in improving recycling levels? They have returned to weekly blue box collections, which were slashed to fortnightly by the previous Liberal administration, supported innovative programmes such as the Alchemist store, which I shall reopen on a new and improved site tomorrow and which provides recycling facilities for local schoolchildren, and have now merged their waste disposal fleets and used joint depots to maximise efficiency gains for local council tax payers. If he will pay tribute to them, why does his Government reward my councils in Sussex with some of the meanest local government grant settlements anywhere in the country?

Mr. Morley: I have written to all local authorities to congratulate those of all parties who have performed well on waste collection and recycling, to encourage those who are not performing as well to do better, and to offer the support available through the waste implementation programme and Waste and Resources Action Programme. I very much welcome the innovation of local councils, including the hon. Gentleman's, and the example of joint procurement is exactly the kind of initiative that the Government want to encourage. On financing, this Government have made £1.3 billion available through core funding to local authorities over the spending review period, as well as about £275 million in additional funds through private finance initiative credits, which is a significant amount. Incidentally, that funding would be slashed to the bone were the Conservative party's James review ever implemented.

Miss Anne McIntosh (Vale of York) (Con): Does the Minister subscribe to the spending review commitment to cut further efficiency savings by £300 million? How can he meet that target when one of the most effective tools for achieving efficiency gains has been the contracting out of waste disposal functions under the Environmental Protection Act 1990? How can he marry these two proposals? How can he increase efficiency savings by ending the contracting out that has worked so well, especially in Conservative-controlled councils?

Mr. Morley: We believe that local authorities should be respected and that authorities that perform well should be encouraged and supported. We do not believe in the principle that everything in the private sector is automatically good or bad, or in the principle that everything in the public sector is automatically good or bad. We believe that there should be flexibility and choice and that the 1990 approach is far too restrictive for local authorities.

We believe in the £300 million savings, which represent part of our objective—securing good value for money and efficient delivery of services, while implementing the strategies that we have devised to reduce reliance on landfill and increase recycling. As I said earlier, what is different about our Gershon approach is that it seeks to make efficiency savings while protecting the delivery of public services, whereas implementing the James report, published by the Conservative party, would slash services to the bone.

Kyoto Protocol

10. **Tony Lloyd** (Manchester, Central) (Lab): What steps she is taking to ensure that the UK meets its obligations under the Kyoto protocol. [207854]

The Secretary of State for Environment, Food and Rural Affairs (Margaret Beckett): The UK has a range of obligations under the Kyoto protocol, including reducing greenhouse gas emissions, adapting to the impacts of climate change and assisting developing countries in tackling climate change. We are making excellent progress on all of them, and are well on track to meet our target of reducing greenhouse gas emissions by 12.5 per cent. by 2012.

Tony Lloyd: I pay tribute to my right hon. Friend's role in ensuring that we have done so well with the Kyoto objectives, but may I ask her specifically about our failure so far to make the same progress with carbon dioxide emissions? We are still some way from our domestic target of a 20 per cent. reduction by 2010. I know that it is both my right hon. Friend's and the Prime Minister's ambition to concentrate on that during our G8 presidency. Would it not give the Prime Minister great moral authority, and also make practical sense to British business and society, if we were to get ahead of the game in respect of greenhouse gases, in particular carbon dioxide? Would it not be sensible to introduce sectoral carbon budgets, so that industry and the country would know how we intended to achieve the 20 per cent. reduction? Everyone would be clear about what was expected of them and we would have something against which to measure our progress.

Margaret Beckett: Issues of exactly that kind are being discussed, and will continue to be discussed over the next few weeks and months, in our climate change programme review. As my hon. Friend says, although we have made very good progress with our overall reduction in greenhouse gas emissions, we have made less progress with the reduction in carbon dioxide emissions. That is, of course, against the background of a period during which, as was recently shown by the result of monitoring from Hawaii, carbon dioxide levels have risen throughout the northern hemisphere. It may well be that only the many steps taken by the Government to reduce emissions have enabled us to remain where we are at present. Nevertheless, my hon. Friend is right in saying that if we continue as we are we will not be on track to meet our much more stringent domestic target of 20 per cent.

As it happens, a review of the climate change programme, to begin in 2004, was built into the current agreement. The review has begun and part of its task will be to consider what steps we can take to put ourselves

back on track. My hon. Friend's suggestion is one that people will consider and we are open to advice and input from all sources.

Sir Sydney Chapman (Chipping Barnet) (Con): I accept that the Government's declared target of reducing carbon dioxide emissions by 20 per cent. by 2010 goes beyond the Kyoto agreement. Will the Secretary of State confirm that in 2002–03 carbon dioxide emissions actually increased by 1.5 per cent.? Can she give last year's figure? Perhaps more importantly, when will she announce initiatives to get us back on track for the 20 per cent. reduction by 2010?

Margaret Beckett: Yes, the hon. Gentleman is right. There was a 1.5 per cent. increase in 2002–03, but of course, we are still below the emission levels of 2001. However, he and my hon. Friend the Member for Manchester, Central (Tony Lloyd) were right to point out that that is not good enough. I cannot give the precise date on which the outcome of the climate change programme review will be published, but we hope that it will appear a little later this year.

Mr. Alan Meale (Mansfield) (Lab): I pay tribute to the Secretary of State and her Ministers for their magnificent work in delivering on the Kyoto protocol. However, can she confirm that, at the recent COP 10 meeting in Buenos Aires, the oil-producing nations, led most notably by Saudi Arabia and supported by the United States of America, demanded that, if they are to deliver on Kyoto in future, such nations should receive billions of dollars in compensation for producing and selling less oil? Can she assure the House that that is not a path that the United Kingdom Government will traverse?

Margaret Beckett: I certainly can, and my hon. Friend's description of what happened in Buenos Aires is entirely right. Indeed, those who follow these matters will know that that was only one of many occasions on which some oil producers have sought to put the interests of their economies above—and in the queue for compensation before—those of some of the most vulnerable states in the world, which are likely to be most affected by climate change. I can assure him that, in conducting these negotiations, it is no part of the United Kingdom Government's goal to support such steps and he will be as conscious as I am of the fact that, when the next climate change talks are held in December, the UK will be the lead negotiator on the European Union's behalf.

Mr. Tim Yeo (South Suffolk) (Con): The Secretary of State's tone is self-congratulatory, given that the Government have not continued the progress that was made before 1997 in steadily reducing CO_2 emissions. How can they claim to be taking seriously their obligations under the Kyoto protocol, given that they have failed to ensure Britain's timely participation in the European emissions trading scheme? Is she not ashamed of the fact that, despite years of notice being given of the start date for this scheme, Britain is one of only five European countries that were not ready to take part? Does not that failure completely undermine the Prime Minister's attempt to put climate change at the heart of Britain's presidency of the EU?

Margaret Beckett: It is very much a goal of the British Government's approach and policy to spread the message, which we believe to be true, that it is perfectly possible to cut emissions and to grow the economy. I am afraid that one reason for the success that the Conservatives claim in cutting emissions during their time in office is that they flattened the economy. This Government's achievement has been to grow our economy by a figure for 2002–03 of, I think, more than 30 per cent., while cutting emissions by 14 to 15 per cent., so we need no lectures from the Conservatives; and, of course, the overall level of greenhouse gas emissions is down from the level that we inherited from them.

There is some misunderstanding about the emissions trading scheme. The position in the UK is not particularly different from that elsewhere in Europe. The scheme operates on precisely the same basis in most member states exactly because most have yet to sort out and finalise their allocations, and although people cannot sell on the spot market, for example, they can participate in the forward market. My understanding is that virtually every member state is in more or less the same position. As my hon. Friend the Minister for the Environment and Agri-environment pointed out in answer to an earlier question, the Government submitted to the European Commission amended figures for the level of allocations in the emissions trading scheme precisely because the review and analysis of existing information suggested that our previous figures needed substantial adjustment. It was the Conservatives—and, indeed, players throughout British industry—who were demanding that we take account of British industry's representations concerning the claimed potential impact on competitiveness, so it is a bit rich for them now to complain about our having done so.

Norman Baker (Lewes) (LD): Are the Government still absolutely committed to a 6 per cent. reduction in carbon emissions by 2050, and can the Secretary of State confirm that there is no question of watering it down or abandoning it? Can she also confirm that, during the British presidency of the EU and the G8, we will actively encourage other countries to adopt that target?

Margaret Beckett: There is certainly no question of the Government resiling from the long-term target that we set. During our G8 presidency, there will be several events through which we shall try to promote discussion about what happens in the longer term across the globe. My hon. Friend the Member for Mansfield (Mr. Meale) referred to the discussions that took place in Buenos Aires, and in the early part of February, we will host a scientific conference to consider the latest information and establish whether there could be more of an emerging consensus about the sort of targets that could achieve stability and avoid further dangerous impacts on climate change. In the middle of March, we will host a meeting of energy and environment Ministers from some 20 states, including those with particularly substantial and massively growing energy needs, such as

China, India and Brazil. We are indeed using the opportunity of our G8 presidency to do what we can to promote more thoughtful discussion.

I am sure that the hon. Gentleman would be among the first to acknowledge that, while it is absolutely right for the British Government to identify where we think--

Mr. Speaker: Order. That is far too long a reply.

Milk Prices

11. **Mr. Laurence Robertson** (Tewkesbury) (Con): If she will make a statement on the level of farm-gate milk prices. [207855]

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): The most recent figures available show that the average price for milk delivered in November 2004 was 19.6p per litre. Milk prices in 2004 were consistently above those in 2003—there was a little narrowing towards the end of the year—despite last year's price support cuts. Farmers have also been paid a dairy premium of 0.78p per litre of quota partially to compensate them for price reductions, which have not as yet happened because the market price is above the intervention price.

Mr. Robertson: I am grateful to the Minister for that response, but over the last 10 years, farmers have seen their share of the retail price of milk fall from 60 per cent. to 40 per cent. That perhaps explains why two of the largest dairy farmers in my constituency have given up producing milk, and I suspect that more will follow suit. A short while ago, the Secretary of State said that it would be regrettable to introduce a fuel transport obligation because that would suck in imports, but if farmers are going to go out of business, that is surely what is going to happen with milk. When I meet my farmers in the near future, what can I say to them? Given the current dire position, what hope can I give them for the future?

Alun Michael: In the first instance, I point again to the Milk Development Council's report published in August, which has two extremely interesting tables. One shows the prices and margins over the last 10 years, while the second goes back 20 years and more. They demonstrate that the variations have increased the take from supermarkets in the last 10 years, but that the margins are closer if we go back over 20 years. These are complex issues.

The hon. Gentleman should also bear in mind the fact that the production of milk remains, with some variations of a couple of per cent., at the level it was before the decision of some producers to go out of the market. As I said, it is a complex issue, and in an earlier answer I underlined the great difference in profits that resulted from the efficiency of the top quartile of producers compared with the lowest quartile.

Ann Winterton (Congleton) (Con): There are no more efficient dairy farmers than those in Cheshire, especially in Congleton—*[Interruption.]*—and, perhaps, Macclesfield. Many of them have been forced out of milk production because of farm-gate prices and many more remain in production only because of the cheap labour of their families. If we want a living and working countryside, we have to ensure that dairy farmers remain profitable and that there is transparency in the figures produced by the processing and retailing sector. The 18p highlighted in the report of the Environment, Food and Rural Affairs Committee has to be accounted for.

Alun Michael: It seems that the hon. Lady does not believe in a market-related industry. It was an interesting intervention, but I am not sure what she is arguing against. As I said earlier, and wish to reinforce, we are working with the industry so that it can achieve long-term sustainability. For some producers in the lowest quartile, the cost of production means that their businesses are not sustainable. Improving that situation is one of the issues that the forum led by Lord Whitty is seriously addressing with enthusiasm and vigour, as indeed it should.

Pollution Control Regulations

12. **Mr. Gordon Prentice** (Pendle) (Lab): What recent assessment she has made of the effectiveness of pollution control regulations in controlling hazardous emissions to the air. [207856]

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): The Department commissioned a review of local authorities' performance in regulating air pollution from industry, which was published in April last year. The Environment Agency assesses annually the performance of each installation it regulates.

Mr. Prentice: I wonder how that squares with the situation in Colne in my constituency, where Macadam's garage has been illegally spraying cars for months. A woman came to see me and described how her front room smelled as though it contained 20 open tins of varnish. It has been like that for months, but the Liberal Democrat-controlled council seems powerless to act. Surely the powers are available to prevent people from allowing such harmful emissions into the air and to provide redress for the people who have been affected.

Mr. Morley: I know that my hon. Friend has been very active in representing the interests and the concerns of his constituents in that matter. As I understand it, the powers exist for the council to use, but it appears that it has become entangled in a complex legal situation of double jeopardy. The council could take action under the Pollution Prevention and Control (England and Wales) Regulations 2000 and could seek an injunction to stop any illegal activity. We are giving advice to the council and seeing whether we can assist.

Business of the House

12.32 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): Will the Leader of the House please give us the business for next week?

The Leader of the House of Commons (Mr. Peter Hain): The business for next week will be as follows:

MONDAY 17 JANUARY—Second Reading of the Constitutional Reform Bill *[Lords]*.

TUESDAY 18 JANUARY—Second Reading of the Drugs Bill.

WEDNESDAY 19 JANUARY—Opposition Day [2nd Allotted Day]. There will be a debate entitled "Government's failure to give value for taxpayers' money", followed by a debate entitled "Government's failure to understand the needs of farming and rural communities".

THURSDAY 20 JANUARY—A debate on armed forces personnel on a motion for the Adjournment of the House.

FRIDAY 21 JANUARY—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 24 JANUARY—Remaining stages of the Gambling Bill.

TUESDAY 25 JANUARY—Opposition Day [3rd Allotted Day]. There will be a debate on an Opposition motion. Subject to be announced.

WEDNESDAY 26 JANUARY—A debate on sitting hours and related motions followed by remaining stages of the Commissioners for Revenue and Customs Bill.

THURSDAY 27 JANUARY—Remaining stages of the Railways Bill.

FRIDAY 28 JANUARY—The House will not be sitting.

Mr. Heald: I thank the Leader of the House for giving us the business. He announced that the remaining stages of the Railways Bill will be taken on Thursday 27 January, but that will clash with the Committee sittings on the Road Safety Bill. Will he look again at that problem, which could cause considerable inconvenience for Members on both sides of the House who wish to attend both debates, including Ministers and Opposition spokesmen?

Has the Leader of the House made any progress in arranging a debate on foreign affairs so that we may discuss the situations in Africa and the middle east?

The Leader of the House has assured me that the Constitutional Reform Bill will have its Committee stage on the Floor of the House. That is an important principle because

"you cannot play about with the British Constitution in a Committee upstairs".

Those are not my words, but Herbert Morrison's. As far as I am aware, the Government have stuck to that principle, starting with consideration of the Scotland Act 1998 and the Government of Wales Act 1998 and continuing through 16 other constitutional measures. Will the Leader of the House repeat his assurance that the whole of the Constitutional Reform Bill will have its Committee stage on the Floor of the House?

In the Chancellor's absence, may we have a statement from the Chief Secretary on the trade deficit, which for this year is now a whopping £53.2 billion? At one time Chancellors resigned over such news: now they leave the country.

May we have a debate about round-the-clock drinking? Police chiefs have attacked the plan, saying that it will cause a huge strain on resources. Is not there a danger that the staggered hours will mean more hours of staggering about by binge drinkers, who have become such a feature of our national evening culture? Is not that a major health issue and a major cause of crime, and should not it be a major concern for the Government?

Finally, may we have a statement from the Prime Minister on his U-turn about changes in the law on householders tackling burglars? The Prime Minister said that he would support reform; now he says that he does not. Is not it the case that, as the Chancellor once said:

"There is nothing you could ever say to me now that I could ever believe"?

Mr. Hain: On the Railways Bill and the Road Safety Bill, there was a difficult business management issue, as the hon. Gentleman knows. As he fairly acknowledges, he and I were anxious to hold the sitting hours debate on a day when the maximum number of Members would be present—whichever way they voted—so it was desirable to hold it in the middle of the week, and that is what we did by putting it on Wednesday 26 January. I am sure that we can get round those related transport matters in Committee and on the Floor of the House in a practical fashion.

I continue to note the hon. Gentleman's very fair request for debates on Africa and the middle east, and the Foreign Secretary is aware of it. As the hon. Gentleman knows, we are at a stage in the business cycle where we are getting through many Second Readings and making progress—more rapid progress than some of our critics might have imagined. The legislative programme is in very good shape indeed. There has not yet been an opportunity to hold those debates, but I continue to keep the matter under review.

The hon. Gentleman is aware that the Constitutional Reform Bill is currently being discussed by the usual channels. The Government will of course ensure that any programme motion provides for the matters in the Bill—which, yes, I described on 9 December as "a major constitutional measure"—to be debated on the Floor of the House. That has always been our intention. However, it is not the intention to deal with every aspect of the Bill on the Floor of the House, and adequate time for scrutiny in Standing Committee will be allocated. There are precedents for that, and the hon. Gentleman cited some: the Greater London Authority Bill was one and the Political Parties, Elections and Referendums Bill was another. The Constitutional Reform Bill has 111 clauses, and the major constitutional measures will, properly, be taken on the Floor of the House, but for some of the other measures in a Bill over which there has been exhaustive consultation, and which has been exhaustively debated in the House of Lords, I am sure

that the House will see it as reasonable that the Government should adopt the approach that we have adopted—even if the hon. Gentleman does not.

On the question about the trade deficit, I am surprised that the hon. Gentleman has not pointed to the fact that we now have the strongest economy in living memory, with unemployment at its lowest for 30 years, the lowest mortgage and inflation rates for 40 years and the longest and most sustained period of economic growth for 200 years, compared with Conservative policies, in government, of high interest rates, high inflation, two recessions and 3 million unemployed. I should have thought that the hon. Gentleman would want to keep quiet about the economy, as the Leader of the Opposition consistently does in his questions to the Prime Minister. The country knows that electing a Tory Government would place at risk the whole future of the economy, with rapidly increasing mortgages, cuts in public spending, rises in unemployment and rises in prices.

On binge drinking, the hon. Gentleman knows that, in the end, it is for local authorities to determine what the licensing hours should be for individual premises or what the policy should be in a particular locality, and we have provided for that. The problem is that we have binge drinking now, so clearly the existing system is not working. We are trying to ensure that people do not have to pour out of licensed premises at exactly the same time, tanked up because they are desperate to get extra alcohol into themselves; unfortunately, too many of them do and they then create law and order problems for the police.

Mr. Heald: What about the police?

Mr. Hain: The police have varied views on the scheme—not all of them oppose it, and many recognise that this is a sensible way to proceed. Why should the rights of the law-abiding majority to drink sensibly be transgressed? Surely their rights and liberties should be protected, which happens elsewhere in the European Union. Why should the rights of people who come out of the theatre and want the chance to enjoy a pint or a glass of wine be infringed and limited by an arbitrary cut-off that is imposed because of an abuse that is practised by a minority, bearing in mind the fact that, in any case, local authorities will have the right to control the matter locally?

The hon. Gentleman asks about burglaries and reasonable force. As the Home Secretary said yesterday in a written ministerial statement—it has been repeated today—after an exhaustive review, the Association of Chief Police Officers and the Crown Prosecution Service, the two key bodies involved, agreed that the existing law allows plenty of scope for reasonable force to be exercised. Indeed, I am advised of cases in which householders have killed intruders, but have not been prosecuted because the existing law provides plenty of scope. Our message to householders is that they have the right to defend their homes and to use reasonable force, and that they are entitled to use reasonable force if they suffer a burglary of an aggressive character. We are putting that message forward and the existing legislation provides for that, as ACPO and the CPS have confirmed. There is thus no need to amend the legislation.

John Cryer (Hornchurch) (Lab): The Leader of the House will be aware of the Unison campaign to take hospital cleaning contracts back into the public sector, which has started partly, at least, because in the 20 years since the privatisation of cleaning, the number of hospital cleaners has halved. If it was up to me, I would renationalise the lot and take back everything that the Tories privatised, starting with the railways. However, this situation is crucial—it could be a matter of life and death. The introduction of the profit motive into hospital cleaning has been a complete failure, as it has in most areas. May we have an urgent debate on the matter?

Mr. Hain: The Secretary of State for Health has made it clear that cleaning is a serious problem in too many hospitals, and he is tackling the matter. The situation is a legacy of the Tories' disastrous privatisation of cleaning, when they failed to ensure adequate standards, which are now being pushed through by the Government's policies. My hon. Friend will understand that MRSA is a separate, though related, issue because that is to do with the mutation of disease, which is difficult to deal with. The Secretary of State is well aware that clean hospitals are a vital prerequisite for effective treatment.

Mr. Paul Tyler (North Cornwall) (LD): Will the Leader of the House arrange for the Prime Minister to come to the House early next week to make a statement on the hunt for weapons of mass destruction? He will have noted that overnight the President's spokesperson at the White House said that the Iraq survey group will now officially stand down. The exercise has ended, which clearly demonstrates that the House was given a completely flawed prospectus for going to war in Iraq. We now know that WMD stands for either weapons of mass distraction, or weapons of mass deception. We clearly need a statement from the Prime Minister as early as possible.

I think that the Leader of the House was in the Chamber a few minutes ago when hon. Members on both sides of the House were asking the Secretary of State for Environment, Food and Rural Affairs important questions about the Kyoto protocol and climate change. Will he arrange for an early debate on the subject? We know from the Secretary of State's replies a few minutes ago, and from the Minister for the Environment and Agri-environment's answers to my question about the severe weather conditions and climate change yesterday, that the Government are undertaking several initiatives in the near future—in February and, I think, in March—partly as a result of our current role as the lead country in the G8. Should not the House hear precisely what the Government have in mind to ensure that G8 countries live up to their expectations? Is the Leader of the House aware that there has been an important Lords report on this issue, to which I understand the Government have not yet responded, and a report from a Commons Select Committee on climate change and flooding, which asks for a White Paper? The Government apparently responded that there was no need for such a White Paper.

[Mr. Paul Tyler]

Does the Leader of the House recognise that this is an extremely important issue for hon. Members throughout the House? If we do not take the opportunity of the G8 leadership to do something serious about it—notably to persuade the President of United States to take the matter seriously—the whole of the world will suffer.

Mr. Hain: I very much agree with the hon. Gentleman about climate change. The way in which our weather has been behaving recently gives the lie to claims that global warming does not produce climate change and that emissions are not at the root of that problem. We have made climate change a key priority for the G8 presidency and I am grateful that the hon. Gentleman supports the Government on that. It means that we are in the same position on this matter. I will bear in mind the need to debate the issue in the House. I am sure that there will be plenty of opportunities to do so as the G8 presidency progresses.

The hon. Gentleman will know that the information that has just come to light from the Iraq survey group about its changed role is nothing new. He will also recall that my right hon. Friend the Foreign Secretary made a statement to the House on 12 October; I do not know whether the hon. Gentleman was present for it. My right hon. Friend went into these issues in some detail. Both he and, before him, my right hon. Friend the Prime Minister made it clear that we accept the conclusions of the Iraq survey group about its failure to find any evidence of weapons of mass destruction in Iraq at the present time.

Llew Smith (Blaenau Gwent) (Lab): My right hon. Friend will be aware that on many occasions the Prime Minister and other Ministers, including him, said to Parliament or in media interviews that the reason we were going to war was not that we had to get rid of Saddam Hussein but the fact that he had weapons of mass destruction, that they could be used in 45 minutes and that they were a threat to the world. As the hon. Member for North Cornwall (Mr. Tyler) has just said, America has announced the winding up of the Iraq survey group and admitted that there were no weapons of mass destruction. May we have a debate in which apologies can be given? More important, I am sure that hon. Members will have noted that, although there have been resignations from the media for the coverage of the war, there has been no resignation from the Government—from the people responsible for the war—even though it has resulted in more than 100,000 deaths among Iraqi people and, indeed, our own soldiers.

Mr. Hain: These matters were exhaustively gone into when my right hon. Friend the Foreign Secretary made his statement on 12 October. He was questioned and exactly the points that my hon. Friend raises were made. My right hon. Friend robustly answered them, and my right hon. Friend the Prime Minister has repeatedly answered those questions in Prime Minister's questions over recent months.

We had an honest difference of opinion on the war—

Llew Smith: You were wrong.

Mr. Hain: Well, no. My hon. Friend says that I was wrong.

Llew Smith: You were.

Mr. Speaker: Order. The hon. Gentleman gets only one bite of the cherry.

Mr. Hain: Does my hon. Friend believe that Saddam Hussein should still be in power? The real choice now is not what the original decision was and the merits of the basis of the original decision; the real choice is whether we should have a democratic Iraq, with elections at the end of this month, or terrorists destroying the prospect of democracy in Iraq. That is the choice before us now.

Mr. Nigel Evans (Ribble Valley) (Con): May we have a debate on the availability of information in books or chatrooms that could assist people to commit suicide? In Preston in September, a 19-year-old lady had a book called "Final Exit" and visited chatrooms and then, sadly, committed suicide. The *Lancashire Evening Post* is running a campaign entitled "Stop Pedlars of Death". May we have a debate on what can be done to close down the sources of the information that vulnerable young people are getting?

Mr. Hain: I shall certainly draw that case to the attention of the Ministers involved, as it is clearly alarming.

Peter Bradley (The Wrekin) (Lab): I have always believed that what matters most to my constituents is what happens outside their front door, on their streets and in their neighbourhoods, and how it affects their quality of life. I am worried, however, that we may have got it wrong, because the Liberal Democrats voted against the Anti-social Behaviour Act 2003 and, on Monday, the Conservatives failed to support the Clean Neighbourhoods and Environment Bill—indeed, those who turned up for the debate spoke against it. May we have an urgent debate to review the Government's policies and establish whether Government or Opposition Members understand the public's priorities better?

Mr. Hain: I am inclined to have a re-run of the Second Reading of the Clean Neighbourhoods and Environment Bill, because there were only two Conservative speakers, compared with 18 Labour speakers. That demonstrates that the Conservatives are not interested in antisocial behaviour or clean neighbourhoods. They do not care about graffiti, fly-tipping, abandoned vehicles, noise pollution and other scourges of people's neighbourhoods. The Labour Government, however, are taking the matter forward, and we will continue to do so, even though we have to face up to the Opposition.

Sir George Young (North-West Hampshire) (Con): The House welcomed the fact that on Monday the Prime Minister came here to make a statement on the Indonesian earthquake. The Leader of the House will accept that many Members were unable to participate in that exchange, and that some important issues arose and

need to be discussed. May we therefore have a debate in Government time next month on issues arising from the Indonesian earthquake?

Mr. Hain: I realise that this is an extremely important matter and, as the right hon. Gentleman said, there was a full chance to question the Prime Minister about it on Monday. It will be kept under constant review. For example, the figures for British casualties and other casualties are being adjusted almost daily as more accurate information becomes available. We will certainly bear in mind the right hon. Gentleman's request.

Andrew Mackinlay (Thurrock) (Lab): May we have a debate on the need for a further Thames river crossing to the east, outside the borough of Thurrock, incorporating flood defences? I draw to my right hon. Friend's attention the fact that last weekend the M25 was blocked. That has an impact on us in Essex and north Kent but it also has a serious impact on the entire UK economy. The Dartford-Thurrock crossing is not so much a tunnel as a funnel, and we need alternative crossings so that people can get to the channel ports and airports without suffering 24 or 48-hour closures.

Mr. Hain: My hon. Friend raises a serious matter, especially given the location of his Thurrock constituency. I shall certainly make sure that the relevant Minister responds in detail to the points that he made, as certain issues need to be taken into account in future.

Mr. John Burnett (Torridge and West Devon) (LD): The Leader of the House will have noticed the increasing role of the Attorney-General and his Department in matters that affect the business of the House. At present, we have 10 minutes every four sitting weeks to hold the Solicitor-General to account. Will the Leader of the House agree to increase that time and ensure that we have greater opportunity to hold that important Department to account?

Mr. Hain: I think that the hon. Gentleman will find that the 10-minute slot is long established. He will know that there are other opportunities to question Ministers on the outcome of a policy. The Attorney-General and the Solicitor-General advise Ministers who, as was the case with the Minister for Rural Affairs and Local Environmental Quality, who dealt with hunting and its ban, and the Foreign Secretary, who is responsible for matters relating to the Guantanamo Bay detainees, can come to the House to answer questions and make a statement. They are the people who ought to be held to account in policy areas about which the House is rightly concerned. I therefore do not accept that there is a need to grant additional time to the Solicitor-General, but we will obviously keep the matter under review.

Mr. John Lyons (Strathkelvin and Bearsden) (Lab): This week, the management of the national health service proposed changing the staff pension scheme from a final salary scheme to one based on average pay. Will the Leader of the House find time for a debate on that important issue? Many of us believe that if something is good enough for MPs it is good enough for the hard-working staff of the NHS.

Mr. Hain: Consultations are under way with the trade unions, who are concerned about the matter. The Secretary of State for Health is alive to the points made by my hon. Friend.

Bob Spink (Castle Point) (Con): Following the tsunami disaster, may we have a debate to explore how science can be used to improve detection and early warning for all types of global natural hazards? The lives of more than 100,000 people could have been saved by better warning systems, and science can play an important part in providing such systems.

Mr. Hain: I very much agree that science has an important role to play, which is why we have greatly increased expenditure on science in Britain. He rightly identified the importance of detecting major disturbances, which is why the Prime Minister asked the chief scientific adviser to look into the matter and report as quickly as possible. I understand from informal conversations that we have the potential and perhaps even the capability at present to monitor such things, so the question is how we can best enable the rest of the world to benefit from that.

Mrs. Anne Campbell (Cambridge) (Lab): May I congratulate my right hon. Friend on the excellent report by the Modernisation Committee on sitting hours and ask him about September sittings, of which I am a great supporter? I understand why there will not be any September sittings this year, but I urge him to introduce a proposal enabling questions to be submitted within a two-week period. That would mean that we would not have a long time from the beginning of the summer recess until October when we are unable to table questions to Ministers.

Mr. Hain: I am not used to being congratulated at the Dispatch Box.

Dr. Julian Lewis (New Forest, East) (Con): We love you really.

Mr. Hain: I do not think that I want that kind of congratulation.

I am grateful to my hon. Friend the Member for Cambridge (Mrs. Campbell). The Modernisation Committee's report on sitting hours was excellent, and I shall certainly bear in mind her comments. However, this year the House is not sitting in September because, as she knows, security work is being undertaken, as stipulated by the House authorities. We want to keep the matter under review but, because we are changing term times, we should not make a premature decision.

David Burnside (South Antrim) (UUP): Will the Leader of the House find Government time for a debate on the funding of political parties? In our part of the United Kingdom, we have the only party that, if the opinion of the Chief Constable is correct, funds itself through criminal activities, be they drug money from Colombia or the robbery of the Northern bank. Is it not

[David Burnside]

quite improper that one party in the House receives facilities, allowances and offices in the Palace of Westminster and funds its activities both in Northern Ireland and in the Irish Republic to the disadvantage of nationalist parties north and south of the border and other parties that campaign legally, correctly and properly under electoral law on the funding of parties in Northern Ireland?

Mr. Hain: As my right hon. Friend the Secretary of State for Northern Ireland said when answering questions following his statement to the House a few days ago, the Government want to keep that and other issues under careful review. Nothing is ruled in and nothing is ruled out, but it is not in anyone's interest, as I am sure the hon. Gentleman will understand as a representative from Northern Ireland, to take precipitate action. The key objective and focus must remain to get the peace settlement locked in, with all the parties to it practising democratic politics, not indulging in any kind of criminal activity.

Mr. Parmjit Dhanda (Gloucester) (Lab): My right hon. Friend may be aware of the key role that the South West of England Regional Development Agency has played in helping me and helping the Government to set up an urban regeneration company. As a consequence of that, Gloucester stands on the verge of a £1 billion regeneration in Gloucester docks. Will my right hon. Friend consider allowing time for a debate on the James report, which would asset-strip the RDAs and jeopardise £1 billion worth of regeneration in Gloucester docks, should the Tories ever come back to power?

Mr. Hain: I would be enthusiastic about finding time to debate the matter. We will see what we can do. As my hon. Friend says, the regional development agencies in the south-west and across England are playing a vital role in regional regeneration and are widely supported, especially in the business community, for the backing that they give to the creation of a dynamic regional economy. The fact that the Conservatives want to abolish regional development agencies and would, as my hon. Friend says, use the James report to asset-strip those key levers of public policy, on top of some £35 billion worth of cuts and £15 billion worth of extra spending, means that there is a £50 billion black hole in their economic strategy, which would put the whole economy at risk.

Mr. Roger Gale (North Thanet) (Con): Among the prerequisites for a free and democratic election are the creation of an electoral register, the ability of those conducting the election to verify that those voting are entitled to vote, and the ability of those voting to vote in peace and without fear of intimidation. Given the Government's support for the elections in Iraq at the end of the month, which the Leader of the House endorsed yet again today, could he find time for a debate in Government time on the Floor of the House well before those elections, in order that the House may be satisfied that those elections will be free and fair, and that the results will be anything other than meaningless?

Mr. Hain: The Foreign Secretary will wish to keep the House closely informed about progress. With Foreign Office questions coming up in a short while, there may be an opportunity for a report to the House. The momentum for the elections is building and there are now 111 lists containing more than 6,000 candidates registered to contest the national elections. I understand that some 15 million eligible voters have been registered. That is a big advance in democratic terms, compared with the tyranny under Saddam Hussein. It must not be allowed to be disrupted or blown apart by terrorist action, as I am sure the hon. Gentleman will agree.

Mr. Tam Dalyell (Linlithgow) (Lab): Gently, may the Father of the House say to the Leader of the House that in parliamentary terms, the answer that he has just given to the hon. Member for North Thanet (Mr. Gale) on Iraq will not quite do? The Leader of the House says the Foreign Secretary will report to the House. It is high time that the views of the House of Commons were not truncated. They should be expressed in a one or preferably a two-day debate. Unlike the hon. Member for North Thanet, I think that it should be held shortly after the elections, rather than before the elections. Last night in Committee Room 12 the World Service gave a presentation, during which Paul Reynolds quoted Sir Jeremy Greenstock, of all people, as saying that the situation in Iraq had become ineradicable and irredeemable—yes, ineradicable and irredeemable. Those are the words that were used. Would it not be a disgrace if the House of Commons did not debate these crucial matters, preferably in the first week in February—and on an amendable motion?

Mr. Hain: I will bear in mind the request from the Father of the House. The Foreign Secretary will be answering questions on 25 January—

Mr. Dalyell: Questions are not good enough!

Mr. Hain: I am sure the Foreign Secretary will want to keep the House informed—*[Interruption.]*

Mr. Speaker: Order. It is nice to see that the Father of the House has recovered, that he is well and that he is giving the Speaker a difficult time.

Mr. Hain: I agree. I, too, am delighted to see the Father of the House back. *[Interruption.]* I do mean it. I have a great deal of respect for him. The more he wants to heckle me, with the Speaker's permission, the happier I will be. I just want to ask him a question. [HON. MEMBERS: "You can't."] I want to raise a point, then, with the Father of the House, in the best spirit. Do we want the elections to proceed or not? Exactly the same arguments were made in respect of Afghanistan. The Afghans have now had their first ever democratic election. It was not perfect, but it is a massive advance for democracy in that region. When the elections take place at the end of the month in Iraq, we will see a massive advance for democracy and a defeat for terrorism. Surely we should make common cause in that objective.

Mr. Patrick McLoughlin (West Derbyshire) (Con): I understand the Government are keen on job training schemes. Today the Prime Minister is making a speech on the economy and the Chancellor is meeting world leaders. What conclusions can we draw from that?

Mr. Hain: The conclusion we draw is that the Prime Minister and the Chancellor are together facing up to the fact that we as a Government have the most successful economic strategy of any Government in living memory, and that there are big challenges facing our economy in the future because of global pressures—the threat from China, India and other competition from abroad. With our economic stability and success, this Labour Government are taking the economy into a position where Britain can be successful in the world, compared with a Conservative Government, who would throw that success out of the window and risk everything that the British people have worked so hard to achieve in recent years.

Mr. Martin Salter (Reading, West) (Lab): Would the Leader of the House publish the true picture of the impact on Commons catering of the changes in sitting hours that we voted for some two years ago? An awful lot of misinformation is being circulated in order to persuade us to go back to the absurd spectacle of the House voting on laws of the land late into the night. Does my right hon. Friend agree that the opponents of change need to come up with stronger arguments?

Mr. Hain: There will be an opportunity to put the record straight when we debate these matters on 26 January—Wednesday week. It would be good to do so. I am advised that takings in the Refreshment Department are significantly up. I am a great fan of the Members Dining Room and try to get there whenever I can, but the Adjournment restaurant and the Portcullis café arrangements are now much more popular than used to be the case for catering facilities in the House. People's habits are changing. One cannot attribute that entirely to changed sitting hours, but we should make our decision on sitting hours according to what the House of Commons ought to be like in the 21st century, not how it was in Victorian times.

Mr. Roy Beggs (East Antrim) (UUP): Since the disappointing and depressing statement made by the Secretary of State on Tuesday, it has emerged that £10 million of the £26 million stolen from the Northern bank in Belfast is in untraceable notes, which is a huge boost to the IRA war chest. Again we see Sinn Fein-IRA giving a two-finger salute to our Government, the Irish Government and the American Government. Democratic parties participating in the House and the people whom they represent in Northern Ireland are outraged at what they perceive as inaction against Sinn Fein-IRA.

Further to the request of my hon. Friend the Member for South Antrim (David Burnside), will the Leader of the House make it possible for us to have an early debate so that we can discuss the criminal activity attributed to Sinn Fein-IRA, and provide the House with an opportunity to offer some constructive suggestions as to how there could be political progress in Northern Ireland which would exclude Sinn Fein from the Executive and cease to punish truly democratic parties? Such a debate would also provide an opportunity for the House to approve suggestions for proper sanctions against Sinn Fein for their illegal, criminal activity.

Mr. Hain: We share the strength of the hon. Gentleman's feelings and all want to see an end to criminal and illegal activity from whatever group or source. Equally, the hon. Gentleman must recognise that Sinn Fein has a significant electoral base. It is a major political party in Northern Ireland. While firmly stamping out illegal or criminal activity by anybody in Northern Ireland, it is important that we find a way of getting the devolved legislature back in business and the peace settlement locked in for good.

Mr. Alan Hurst (Braintree) (Lab): My right hon. Friend may not be aware of the difficulties that commuters on the Harwich to Liverpool Street main line, which passes through my constituency, are experiencing. They have occurred following the change in the franchise from First Great Eastern to a strangely titled company called one, which has implemented a new timetable. Fewer trains run at peak times and arrival and departure times are confused compared with the previous timetable. As a result, trains are more crowded than they were and standing is the order of the day. Given the difficulties, which are a particular problem for my constituents in Kelvedon, will my right hon. Friend instigate an early debate on procedures for proper consultation with season ticket holders before a new railway timetable comes into force?

Mr. Hain: My hon. Friend makes an interesting point, which he is right to raise on the Floor of the House. I will draw it to the attention of the Secretary of State for Transport, who will see what inquiries he can make and get back to my hon. Friend.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Does the Leader of the House recall the Committee composed of senior Privy Councillors of all parties and from both Houses that reported on the Anti-terrorism, Crime and Security Act 2001 in a document published on 18 December 2003? It unanimously concluded that intercept evidence should be permissible in British courts. Does he further recall that the Government promised to respond to that proposal by early 2004? The White Paper preceding the Serious Organised Crime and Police Bill, "One Step Ahead", promised that their response on intercept evidence would be available to the House by June last year. During the course of the autumn, the then Home Secretary made it clear that the response on that important matter would be with the House by the end of last year.

The Serious Organised Crime and Police Bill is now in Committee, and next Tuesday I hope to move an amendment on behalf of the Opposition to allow intercept evidence to be used in British courts. Does the Leader of the House understand how helpful it would be to the Committee and to the House if the Government were to produce their response on that important matter, which has been delayed for too long?

Mr. Hain: I commend the hon. Gentleman on the thoroughness of his question. I confess that I am not familiar with all the details, but I am sure that the Home Secretary will take those points seriously.

Mrs. Alice Mahon (Halifax) (Lab): Those of us who, unlike many Ministers, campaigned for years against Saddam Hussein find the suggestion that because we opposed the war we supported Saddam Hussein deeply insulting. Can we have an urgent debate on the elections? It should be made clear that if the four provinces where most of the violence is occurring do not participate, half the Iraqi electorate will not participate in the election. How can that possibly be free and fair? Is it not time we had a debate on Falluja, where a war crime, for which somebody must be made to answer, has almost certainly occurred?

Mr. Hain: I did not say that my hon. Friend and others who opposed the war necessarily supported Saddam. I said that we must all take account of the fact that, as a result of military action, Saddam's brutal and murderous tyranny, which I acknowledge that she, like me, opposed, is no longer in power, which is a good thing. On the elections, we obviously want every eligible voter to participate. The elections are being organised under terrorist threat, and we cannot allow terrorists to stop them, which would stop the prospect of democracy being entrenched in Iraq, by intimidating some voters and denying them the opportunity to vote. We cannot give in to terrorism and must ensure that democracy progresses as best it can in the difficult circumstances.

Mr. Michael Weir (Angus) (SNP): Has the Leader of the House had an opportunity to consider early-day motion 475, on payroll contributions to the tsunami appeal, which has wide cross-party support?

[That this House notes the concern of aid charities that funds will be more difficult to raise on a continuing basis after the initial publicity surrounding the disaster fades; welcomes the support of many workers and companies for the proposal to donate a day's salary to the Tsunami appeal either in January or throughout the year; notes that such an initiative ensures a continuing flow of funding, attracts gift and relief aid and introduces more people to payroll giving; and further calls on the House authorities to make the facility available to honourable and Right honourable Members to allow them to participate in the continuing campaign in addition to their own existing contributions to constituency and national fundraising.]

In particular, early-day motion 475 includes the suggestion that the House authorities should make available to hon. Members the facility to donate one day's pay to the tsunami appeal through the gift aid scheme. Has the Leader of the House had a chance to take up the matter with the House authorities, and will he make a statement?

Mr. Hain: If any hon. Member wants to make such a donation by means of the payroll, I am sure that the House authorities will help, but I do not want to impose a universal scheme on hon. Members because the level of donation is an individual decision. I am sure that we have all contributed—I have, and I know that the hon. Gentleman has—and we can do that without having our donations docked from our pay. If hon. Members choose to donate in that way, however, I am sure that the House authorities will respond positively to a request from the hon. Gentleman or any other supporter of the motion.

Mr. Iain Luke (Dundee, East) (Lab): Given the upset and outrage felt by many TV licence holders throughout the length and breadth of this country about the screening of the programme, "Jerry Springer—The Opera", on Sunday on BBC2, which has led to an unprecedented level of complaints, will my right hon. Friend find time to debate the standard of programming in the BBC as part of the charter renewal programme?

Mr. Hain: My hon. Friend has made his point, but the matter is for the BBC. Many hon. Members would criticise me if I said that Ministers should determine the programme content of the BBC, or any other major broadcaster.

Mr. James Paice (South-East Cambridgeshire) (Con): Will the Minister explain why the Government have not yet introduced the animal welfare Bill, which was promised in the Queen's Speech and on which the Environment, Food and Rural Affairs Committee reported in the autumn? Given that the clock is ticking towards a general election, which we expect later this year, will he assure the House that the Government expect that Bill to have completed all parliamentary procedures before the general election?

Mr. Hain: Since I do not know when the general election will be, I cannot possibly give such an assurance. However, our legislative programme is dynamic. We are making enormous progress on Second Readings, in Committee and even on remaining stages, and the animal welfare Bill is part of that process.

Richard Burden (Birmingham, Northfield) (Lab): May we have an early debate or perhaps a statement from the Chancellor on the child trust fund? I do not want to debate the merits of the fund, which are fairly clear—more than 1,000 children in my constituency are already scheduled to benefit. The matter that needs debating is the future of the fund in the perhaps unlikely event that a Government who were committed to billions of pounds of public expenditure cuts came to power. Could such a Government remove eligibility for the child trust fund not only from future parents and children, but from children who are already in receipt of it? We should consider that important matter of public policy in this House.

Mr. Hain: A debate, perhaps on an Opposition motion and entitled "Baby Bond Stealers", would be very good. If I can find time, I may well be encouraged to arrange such a debate, because the issue is very serious. If the child trust fund were abolished, tens of thousands of youngsters would be deprived of up to £500, and certainly £250, deposited by the taxpayer with the Government's organisation in a bond for life. If we are re-elected, when children reach the age of 17 we will double that deposit and allow relatives to contribute.

Martin Linton (Battersea) (Lab): Seven.

Mr. Hain: Did I say 17? I meant seven. If a different Government came to power and sought to abolish that scheme, would they retrospectively steal that money? The Liberal Democrats in particular must answer that question, because they opposed the child trust fund. The Conservatives have not made their minds up yet, and they are accountable not only to babies, but to all the parents who have benefited from the policy.

Mr. Michael Moore (Tweeddale, Ettrick and Lauderdale) (LD): One of the most pressing issues that currently faces Scottish farmers, which was not raised at Department for Environment, Food and Rural Affairs questions, is the future of the rural development regulation, which includes about £150 million of associated funding for Scotland. Given the uncertainty about the future of less favoured areas, will the Leader of the House ensure that an early debate occurs, so that we can inform Ministers about the strength of feeling on those issues in Scotland and elsewhere in the UK?

Mr. Hain: I realise the importance of the issue that the hon. Gentleman raises, and the Secretary of State will have carefully noted the points that he made.

Dr. Brian Iddon (Bolton, South-East) (Lab): Is my right hon. Friend aware that a regulatory reform order on reform of the civil registration service in England and Wales has been rejected by the Regulatory Reform Committee? Among other measures, that would have delivered the right of registration officers to go to an employment tribunal should they be unfairly dismissed. As patron of the Society of Registration Officers, I have campaigned on that matter in this House since 1997. Will my right hon. Friend seek a statement from the Chancellor on how the Treasury will proceed on this now more than urgent matter, which could be dealt with separately from the other reforms that were in the regulatory reform order?

Mr. Hain: I acknowledge my hon. Friend's diligent expertise in this area. The Government are reviewing the reports published by the House of Commons and House of Lords Scrutiny Committees and considering how best to proceed. As part of that process, we are actively consulting the key stakeholders, and I am sure that my hon. Friend will be one of them.

Mr. Andrew Mackay (Bracknell) (Con): How can the Leader of the House possibly justify the Foreign Secretary's not coming to the Dispatch Box in the very week when our American allies have closed down the Iraq survey group and admitted that there were no weapons of mass destruction in Iraq? Does not he realise that if many Members of this House, including me, had known then what we know now, we would not have voted to go to war?

Mr. Hain: Honest differences of opinion are held on the war—I understand that. I do not wish to repeat myself, but this matter was the subject of a detailed statement by the Foreign Secretary last autumn, when he was asked detailed and challenging questions, and there has been nothing new. I think I am right in saying, though I stand to be corrected, that the Iraq survey group has not shut up shop and is doing other work, but there is no question but that it did not find any evidence of weapons of mass destruction—that is not in dispute, and the Government have accepted its conclusions.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Will my right hon. Friend arrange for a debate or a statement on the proper procedures for the closure of fire stations? The chief fire officer in South Yorkshire proposes to close Mosborough fire station in my constituency. There has been no contact with me or with elected local councillors, no information leaflet for the public, no detailed statement to the press, and no proposal to hold a public meeting. It would be helpful if a Minister came to the House to make a statement on what they would regard as the proper procedures to be gone through on this matter, which concerns and alarms many of my constituents.

Mr. Hain: I am sure that it does concern and alarm my hon. Friend and his constituents. I understand that the consultation period ends on 11 March. However, it is surprising, to me at least, that he has not been properly informed about the matter. I hope that he will take the opportunity to insist that he be properly consulted.

Dr. Julian Lewis (New Forest, East) (Con): May we have a debate on the financial assistance scheme that the Government have rightly set up to try to help people who have had their pension schemes destroyed as a result of firms going into liquidation? Such a debate would allow us to raise the case of APW Electronics Ltd. in Eastleigh. It has not gone into liquidation, but only because it was able to blackmail its work force into accepting a huge reduction in their pension returns, or else the company would be liquidated. My party has stated that it would use the unclaimed assets in dormant bank and building society accounts to bail out people in such situations. Will the Government do the same?

Mr. Hain: I am sure that that issue was debated during the passage of the Pensions Act 2004 during the previous Session. Through that, the Government have established the Pension Protection Fund, which is a big advance for the future. We have also provided extra funding for those who have been so scandalously robbed of their pensions. However, there will be an opportunity to raise the matter at Department of Trade and Industry questions on 27 January.

Jim Sheridan (West Renfrewshire) (Lab): May I bring my right hon. Friend's attention to early-day motion 425?

[That this House notes the suspension of copyright payments by Littlewoods and Vernons Pools Ltd. to professional football clubs; is concerned about the effect of this loss of income on smaller clubs; and urges the pools companies to resolve the situation as soon as possible.]

The motion refers to the withdrawal of much needed revenue from the football clubs by the pools companies. Some £5 million has been taken out of the beautiful game and put into the players' agents' pockets. That is money that could be used to develop the skills of our youngsters. Will my right hon. Friend ask the appropriate Minister to make representations to the football authorities in order that that money can be kept

[Jim Sheridan]

in the game? After all, if football players want representation with their employers they can join a trade union, like the rest of us.

Mr. Hain: I hope that they do join trade unions like the rest of us; indeed, I encourage all individuals in work to do so. As for the Ministers concerned, I guess that those at the Department for Culture, Media and Sport and possibly the Department of Trade and Industry will want carefully to note the points that my hon. Friend makes.

Rev. Martin Smyth (Belfast, South) (UUP): We all welcome the response of the world and our own nation and people to the Indian ocean disaster. We have been warned, however, that we should not take our eye off the ball in relation to other ongoing tragedies. May I ask for a statement in the near future from the International Development Secretary on the situation in Montserrat? It is nearly 10 years since the earthquake tragedy there, and some people who were given temporary protective status in the United States have now been told that it will be lifted at the end of February because the situation is no longer temporary but will become permanent. What are we doing as a nation to deal with our own fellow citizens in Montserrat?

Mr. Hain: I will certainly draw that matter to the attention of the Secretary of State.

John Robertson (Glasgow, Anniesland) (Lab): May I draw my right hon. Friend's attention to early-day motion 451, which concerns fee charging for ATMs?

[That this House condemns the policy of high street banks to sell off their non-branch based ATM machines; notes that many have been replaced by ATMs which charge an average of £1.50 per withdrawal; further notes that fee-charging ATMs are disproportionately located in poorer areas where few people can afford to travel to free alternatives; is concerned that this is a particular problem for people whose state benefits are paid into their bank accounts, and who are therefore charged simply for receiving their benefits; is disappointed that the Royal Bank of Scotland has not done more to alleviate this problem since it acquired Hanco, which operates around a quarter of all fee-charging ATMs; concurs with the Citizens Advice Bureau and the National Consumer Council, who have criticised the Royal Bank of Scotland for effectively levying a tax on the poor through their actions; further concurs with Gamblers Anonymous, who have criticised Hanco for locating an ATM in an amusement arcade in Glasgow; and calls on the Royal Bank of Scotland and other high street banks to guarantee the future of free withdrawal facilities at ATMs in disadvantaged areas.]

The motion refers to the despicable conduct of the Royal Bank of Scotland, in the guise of Hanco, in charging people £1.50, and sometimes more, in the poorest areas of my constituency. It is attacking the elderly and the poor. There is no problem in the rich parts of the constituency—ATMs are not put in those areas because people there can afford to travel to the free ATMs. Is it not time that we had a debate on this matter, that these finance companies were brought to book, and that rules were established on ATMs, particularly those in areas where the poor and elderly live?

Mr. Hain: My hon. Friend raises a very serious point. We are all concerned about this problem, especially as it affects poorer people—especially the elderly, those without cars or those on low incomes—who, as he implies, may not have the necessary transport to get to a bank to draw out money free of charge. That is a serious matter that the Minister concerned will want to consider carefully.

Mr. Graham Brady (Altrincham and Sale, West) (Con): The value-added league tables published today show very clearly not only that grammar schools have been more effective than comprehensive schools but that selective education systems, such as the one in my borough of Trafford, achieve better results than comprehensive systems across the country. May we have a statement from the Government setting out how they might change their policy in order to withdraw some of their discriminatory policies against grammar schools? In particular, can grammar schools be allowed to expand where they are successful and parents want it, as other schools can?

Mr. Hain: As the hon. Gentleman knows, we have encouraged diversity. Indeed, specialist schools, although criticised when they were first proposed, have been hugely successful. What we see across the board under this Government is the record investment that is going into schools, with the recruitment of tens of thousands more teachers and classroom assistants, investment in IT equipment, and a steady rise in standards compared with the dismal record of Conservative Governments. I should have thought that that was the issue that the hon. Gentleman should focus on; it is certainly that on which the electors will decide when it comes to the general election.

David Taylor (North West Leicestershire) (Lab/Co-op): I found the Leader of the House's reply to my hon. Friend the Member for Dundee, East (Mr. Luke) deeply disappointing. Has he seen early-motion 488, which concerns "Jerry Springer—the Opera" and was tabled by the hon. Member for Lagan Valley (Mr. Donaldson) and signed by several Members, including me?

[That this House regards with dismay the decision by the BBC to broadcast Jerry Springer—The Opera on BBC2, causing widespread offence to Christians and those of other faiths by its mocking portrayal of Jesus Christ, Holy Communion and some of the central tenets of the Christian faith; condemns the show's juvenile and offensive use of repeated profanity in an attempt at humour; further notes that it is particularly serious that the show should have been transmitted by the publicly-funded national broadcaster and questions whether it places the Corporation in breach of its Charter; laments the arrogant dismissal of Christian concerns by the content of programmes aired by the BBC; and calls on the Government publicly to rebuke the corporation for its attack on the religion adhered to by over 70 per cent. of the UK population and for its lowest common denominator approach to ethics in its attempts to chase ratings.]

Anyone who saw that programme will have been dismayed by its unremittingly juvenile, offensive and blasphemous content. Is it not the case that the BBC, as its ratings go downhill, is taking the lowest-common-denominator approach to that? Does not this House have a role to play in reacting to that, not dismissing it as did the Leader of the House in his reply to my hon. Friend?

Mr. Hain: I understand the passion with which my hon. Friend expresses his point. I do not seek to dismiss anything but I do not think that it is for me, as Leader of the House, to pronounce on a specific programme or to set standards. That is a matter for the BBC, which needs to bear in mind feelings in the House of Commons and among the public. I am sure that the director-general will register my hon. Friend's point.

Mr. David Heath (Somerton and Frome) (LD): Is it possible to hold a debate on the consequences of maladministration in the tax credit system, especially its effect on many of my constituents and others, who were overpaid by the system through no fault of their own and are now having money recovered from them? Does the Leader of the House appreciate that people who are by definition on low incomes find it difficult when that income is reduced still further by having to pay back money that they have spent in good faith on the upkeep of their families?

Mr. Hain: Of course the Government are concerned about any instances of maladministration but I am not sure about the point that the hon. Gentleman is trying to make. Surely he should praise the Government's introduction of tax credits, which have benefited millions of hard-working families and individuals. If I am right, the Liberal Democrats did not support or vote for that proposal. The electors will want to bear that in mind because millions of people on low incomes have benefited. In addition, people have been brought into work when perhaps it would not have been worth their while to work previously. That has led to high employment and a lower cost to the public purse for benefit payments.

Mr. John Bercow (Buckingham) (Con): May we please have a debate on Darfur, western Sudan? Given that the African Union force is clearly not preventing the mass murder of innocent civilians in Darfur, that violence now afflicts the internally displaced persons camps, and that the Janjaweed militias continue to run riot, does the right hon. Gentleman accept that a debate in Government time in the main Chamber would allow hon. Members to argue that the international community has a moral duty to act now, not through a monitoring force but by the despatch of a substantial peacekeeping force, which alone will allow us to stop the slaughter there before it is too late?

Mr. Hain: The hon. Gentleman is a more passionate spokesman on those matters than anyone else on the Conservative Benches and the House welcomes that. He makes an important series of points and the Government acknowledge them. We shall certainly bear them in mind and I shall ensure that both the Secretary of State for International Development and the Foreign Secretary are aware of the points that he has raised today.

Points of Order

1.32 pm

Mrs. Angela Browning (Tiverton and Honiton) (Con): On a point of order, Mr. Speaker. I am aware that a Committee of the House can investigate complaints by hon. Members about the answering of written parliamentary questions. However, owing to my latest experience, may I ask you to review whether the procedure assists us in implementing Standing Orders?

On 8 November, I tabled a named day question to the Department for Environment, Food and Rural Affairs but as it had not received a reply at Prorogation, it fell. I was obliged to retable the same named day question in the current Session. I did that on 6 December. It is important because the question relates to the possible cause of the 2001 outbreak of foot and mouth. I asked the Secretary of State,

"for what reason the Northumberland Trading Standards video of Burnside Farm at the time of the 2001 foot and mouth disease outbreak was not submitted to the Anderson Inquiry."

I have phoned the Department and said that I now require the answer. It has had two months in which to reply to a simple, factual question, yet it continues to deny me an answer. I ask not only whether the Department, through your offices, will answer my question, but whether you will personally take another look at the way in which Members' questions are answered across Government. We have named day questions for a purpose and I should like to believe that some improvement will occur.

Mr. Speaker: I thank the hon. Lady for raising the matter with me. First things first: if she sends me all the relevant papers, I will investigate the matter and get back to her.

Mr. Oliver Heald (North-East Hertfordshire) (Con): On a point of order, Mr. Speaker. Since 1945, the convention in this place has been that what is described as a first-class constitutional Bill is committed to the Floor of the House for its Committee stage. The Government have followed that procedure on all Bills of substance about the constitution—for example, the Scotland Bill, the Government of Wales Bill and measures on our relationship with Europe. Part of the proceedings on some borderline Bills that have definitional issues have been held Upstairs. However, on all the major constitutional Bills, that has not happened.

On 7 May 1997, Madam Speaker ruled that a constitutional Bill had to be debated in the Chamber. If the Leader of the House wishes to take a different stance and change the convention, should he not make a statement in the House and allow questions from hon. Members of all parties? The matter is important because on a measure such as the Constitutional Reform Bill, which deals with the separation of powers, the role of our courts and of the Lord Chancellor and so on, we might be unable to consider provisions such as the appointment of judges in Northern Ireland, which appear late in the Bill, on the Floor of the House. It would be wrong not to deal with such a matter on the Floor.

Mr. Speaker: That is a matter for the House after Second Reading, which will take place on Monday. I hope that that helps the hon. Gentleman.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

PRISONS

That the Northern Ireland (Sentences) Act 1998 (Specified Organisations) Order 2004 (S.I., 2004, No. 3009), dated 14th November 2004, a copy of which was laid before this House on 17th November, in the last Session of Parliament, be approved.—[*Margaret Moran.*]

Question agreed to.

Orders of the Day

Consumer Credit Bill

Order for Second Reading read.

1.36 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Mr. Gerry Sutcliffe): I beg to move, That the Bill be now read a Second time.

The Bill is the final stage in the most significant reform of domestic consumer credit law in almost 30 years. It caps the work begun by the former Minister with responsibility for competition and consumers, now the Minister for Public Health, who initiated the wide-ranging consumer credit review. Today, the Bill marks a major step forward towards a fairer, clearer consumer credit market for the 21st century. It will offer benefits to consumers and industry and fulfil our manifesto commitments.

I am pleased to say that, with so much support from hon. Members of all parties and their welcome for the Bill and the White Paper that preceded it, the measure will empower and protect consumers. It will increase competition and equip the credit sector to meet the challenges of the modern marketplace.

Mr. David Clelland (Tyne Bridge) (Lab): I am grateful to my hon. Friend for giving way so early in his speech, but those of us who are in Committee have to take what opportunities we can.

Will it be possible during the Bill's passage to introduce provisions to give the Secretary of State the power to put a ceiling on interest rates? My hon. Friend knows that some constituents are unwittingly led into credit agreements incurring interest rates and charges that can exceed 300 per cent. If such a provision cannot be included in the Bill, will he at least ensure that the measure provides for secondary legislation so that one could be introduced in future?

Mr. Sutcliffe: I understand my hon. Friend's problem with the Committee sittings this afternoon. I shall refer to ceilings on interest rates shortly but I give him the commitment that although we will not include such powers in the Bill, we shall keep the issue under review, for reasons that I shall mention later. I am sure that my hon. Friend will get a copy of *Hansard* and I am happy to meet him to talk about the matter.

We did not embark on reviewing and amending the consumer credit law lightly. The scope of the markets that we are considering is huge and the United Kingdom has one of the most highly developed credit markets in the world. We represent a quarter of the EU credit market generally and more than half of the EU credit card market. My right hon. Friend the Chancellor of the Exchequer said in his pre-Budget report last month that we had the best combination of low inflation, low unemployment and rising living standards for decades.

With the achievement of that macroeconomic stability, to which the Government committed themselves, we have enjoyed interest rates at a level not experienced since the 1950s. I understand that the Monetary Policy Committee said today that rates are to remain unchanged. Those rates have brought about

improved access to affordable credit for consumers across the country, and the benefits of affordable credit are plain to see. When it is used effectively, a combination of sensible borrowing and saving enables consumers to enjoy the freedom that credit gives: freedom to improve their home, to take a holiday, or to buy the car that they need for work or family use.

However, one in eight households still have arrears on either consumer credit or household bills, with all the strain on families, on health and on well-being that that level of debt can bring. Sometimes, the effect can be even worse. We have heard hon. Members tell the House about tragic suicides related to debt. I have no doubt that in all hon. Members' constituencies, there will be casework that shows the level of abuse by unscrupulous lenders who prey on the vulnerable, and on the poorly informed consumer. I know that there are such cases in mine. They highlight the real human misery that underlies the statistics on debt.

More than half the households that are over-indebted have an income of less than £7,500 a year. I heard of one couple, both of whom suffered from mental illness, who were persuaded to take out a loan of £500. Within 12 months, the same lender had pressured them into taking out a further 10 loans, leaving them with a total debt of more than £5,000. That was 10 times the amount that they had originally agreed. The couple also owed another £19,000 to other lenders. Most importantly, they had no means to repay any of these loans. Thankfully, the couple were offered assistance by a local support organisation, and I am pleased to be able to tell the House that the debt was written off.

No humane society can stand by and do nothing to prevent this sort of predatory lending. We certainly could not, and we are not going to. That is why this Government are committed to toughening the laws to combat rogue traders, unfair terms in contracts, and loan sharks who prey on the vulnerable and use despicable tactics to ensnare their victims. But this commitment cannot be fulfilled by new legislation alone. Building a credit market for the future means not only legislating for consumers but working with them.

Mr. Peter Pike (Burnley) (Lab): Is it not important that, as well as introducing this legislation, the Government encourage people who need to borrow money to go not to the loan sharks but to credit unions? These provide a very good way for people to borrow at fair and reasonable prices, and allow them to understand fully what they are committing themselves to.

Mr. Sutcliffe: My hon. Friend has pre-empted what I am going to say later. He is right to say that credit unions have a tremendous role to play. In the Chancellor's pre-Budget report, £120 million was given for a financial inclusion fund. The Bill needs to be seen in the context of all the other work that is going on in the Treasury, the Treasury Select Committee and the Financial Services Authority. This Bill is not just about credit; it is about the whole issue of financial inclusion.

Angela Eagle (Wallasey) (Lab): I want to give a great welcome to the Bill. However, there is something rather odd in it that I want to ask my hon. Friend about, as he has been talking about extortionate credit. I want to ask him about the very unusual presence in the Bill of a maximum fine of £50,000 for those who are discovered dealing in extortionate credit, in contravention of the terms of their licence. It is very unusual to see such a maximum set down in a Bill rather than in secondary legislation. Will my hon. Friend consider this matter very carefully? It is 30 years since the Consumer Credit Act 1974 was put on the statute book, and it seems wholly inappropriate to fix in the Bill a fine for this despicable behaviour of which many of us, on the Labour Benches at least, have had direct experience through people visiting our constituency surgeries. These people have been viciously exploited by the sellers of extortionate credit.

Mr. Sutcliffe: My hon. Friend is right; all hon. Members will be aware of such cases. On the question of the £50,000 fine, there are issues relating to licensing regimes and the powers of the Office of Fair Trading, and a balanced approach must be taken. If my hon. Friend is lucky enough to serve on the Standing Committee, she will be able to probe and develop some of the reasons why the figure was set at that amount. There is a serious point relating to that, and I shall return to it in more detail if time permits.

We need to work with consumers. We also need to work with the industry to produce this legislation, to ensure that, together, the Government and the industry can provide information so that people can make informed choices and, more importantly, get help when things go wrong. We must also work with the regulators as well as legislating for them, to ensure that they have better, more appropriate powers to obtain information. That is what we are doing.

A good example of that is the cross-government strategy to tackle over-indebtedness. "Tackling Over-indebtedness—Action Plan 2004" sets out seven strategic priorities, and the 10 partnership priorities necessary to achieve them. The Government are working in partnership with consumer bodies, the credit industry, regulators, the voluntary sector and academia to address this problem. We are working together to increase the availability of affordable credit for vulnerable consumers, particularly those on low incomes; to ensure that timely and appropriate free debt advice is available for those who need it; and to improve the financial capability of consumers to ensure that they can make informed decisions about their borrowing.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): On the question of informed decisions, does my hon. Friend recognise that, when comparisons are made between the charges for one credit card and another, it is virtually impossible for consumers to get an accurate impression because of the different ways in which the different companies collect their charges? Has he seen the proposals from the Consumers Association and *Which?* for a standardised method for the collection of credit card interest? This would enable consumers to make a proper comparison between the annual percentage rates of the different cards.

Mr. Sutcliffe: I am grateful to my hon. Friend for that intervention and I congratulate him on the work that he does in Sheffield and elsewhere on these issues. In regulations flowing from the White Paper, the

[Mr. Sutcliffe]

Government introduced a uniform calculation of the APR. We talk about responsible lending and borrowing, but the difficulty arises because there are so many different charges that can be included in APRs and the like. It is important that clear and transparent information should be given to the consumer, not only when the agreement is signed but throughout its lifetime.

Mrs. Angela Browning (Tiverton and Honiton) (Con): Does the Minister agree that, when people get into financial difficulties and need advice, the sooner they seek that advice, the better? One of the most accessible places for them to go is their local citizens advice bureau. Does the Minister share my concern that, as a result of local government settlements and grants, there are worries about the viability of some of our CABs and about their ability to give this important advice locally?

Mr. Sutcliffe: I acknowledge the hon. Lady's concern about CABs. She will be aware that the Department of Trade and Industry finances much of their work through national funding. Perhaps, however, she should have words with Members on her own Front Bench about future public spending issues. Clearly, if there were to be cuts in public spending, services such as those provided by the CABs would be at risk.

Chris Bryant (Rhondda) (Lab): Is not one of the difficulties that many people take out a loan or get a new credit card without taking any advice? They do not talk to anyone about it. Instead, they pick up one of the 25 letters that they received through the post just before Christmas asking them if they would like a new credit card and are told that they are guaranteed to get a card and that they can have an advance of up to £3,000. Alternatively, they are sent a little cheque that tells them that they have £3,000 to spend. That is irresponsible lending. Those letters are unsolicited, and they offer guaranteed, pre-approved credit.

Mr. Sutcliffe: I was fortunate enough to be in the Chamber yesterday when my hon. Friend asked the Prime Minister a question on this subject. I am not going to be prescriptive about this, because if I were to give my interpretation of these matters, it could present a problem when we need to deal with dispute resolution and with the courts making decisions. The Bill makes provision for an unfair credit test, and that will involve the need to consider each individual case as it comes along.

On the question of credit card cheques, the banking code—the remit of the banks to work under a code of practice—is to be changed from April 2005, and an updated version covering the use of credit card cheques and the question of who they should go to will be a step in the right direction. I shall be monitoring that issue, and I know that the Treasury Select Committee is looking into it as well.

Malcolm Bruce (Gordon) (LD): Following up that point, is there not a further concern that many people take up these offers without making the calculation as to whether a credit card—as opposed to a bank loan or some other mechanism—is the appropriate means of raising the funds that they need? Should there not be an obligation on credit providers to advise people that other, cheaper options exist, instead of simply soliciting their custom without giving them any advice or warning them that they might have to pay a much higher interest charge than they need to?

Mr. Sutcliffe: That goes to the heart of the issues of clarity, transparency and people making sure that they know what they are letting themselves in for. While the argument is about responsible lending, it is also about responsible borrowing, not just for the short term but for the lifetime of agreements.

Mr. James Plaskitt (Warwick and Leamington) (Lab): My hon. Friend has just mentioned forthcoming changes in the banking code. Does he accept, however, that the changes envisaged in that code in relation to credit card cheques will not deal with the unsolicited issuing of those cheques? The White Paper, that his Department produced last year cites as an example of irresponsible lending the unsolicited issuing of credit card cheques, yet I cannot find any measure in the Bill to deal with that.

Mr. Sutcliffe: My hon. Friend is right. He is a distinguished member of the Select Committee, before which I had the honour to appear recently to discuss credit card issues. It has done a tremendous amount of work on credit cards. I think that the banking code is the appropriate route for addressing the issue, but I will keep the matter under review during the lifetime of discussions on the Bill I hope that he will be satisfied with that.

Ms Sally Keeble (Northampton, North) (Lab): I want to take my hon. Friend back to what he said about DTI funding for financial support and advice. In Northampton, our CAB's money advice work was paid for by lottery funding, which has come to end, so nobody is doing that work now. Funding for such incredibly welcome and important work needs to be enshrined in statute, because people need to be able to exercise their right to seek such advice. Will the DTI therefore consider whether there is a proper national spread of available financial advice?

Mr. Sutcliffe: It is important to praise the work of CABs, but others, including industry bodies, local government bodies and a variety of other voluntary sector organisations, also offer financial advice. We will be looking to use some of the £120 million in the financial inclusion fund for debt advice and support. I want to make sure that easy access to such advice is available across the UK. People who find themselves with debt problems tend to leave it too late before they seek advice, and I hope that, as a result of this Bill and other work, people will know better where to go for advice and support. As a result of the Bill, people will be able to get out of unfair agreements.

Andrew Selous (South-West Bedfordshire) (Con): I want to return briefly to the issue of credit card cheques. Will the Minister at least consider requiring credit card companies to make it absolutely clear, in bold letters,

that the moment those cheques are presented, they cost the customer interest? I regard myself as a person of average financial sophistication, and yet I have fallen foul of that practice.

Mr. Sutcliffe: I refer the hon. Gentleman to the answer that I gave to my hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt). These are serious issues, which I am prepared to examine, but this Bill may not be the appropriate vehicle for that change. I know that the industry will monitor closely what is said in the debate today and in Committee. One of the good things to note is that the industry has welcomed change—it recognises that the 1974 Act is 30 years out of date, that people's attitude to credit has changed dramatically, and that it needs to acknowledge the thoughts and views of the consumer. That is the balance that we are trying to strike.

As I said, the first Act was introduced in 1974, and at that time, there was one credit card carrying a total debt of around £32 million at today's prices. It took six years to put in place the detail of the 1974 Act. We have been criticised for taking some time to prepare the Bill, but I make no apology for that, because it is a complex marketplace, and very important to the economy.

Mr. Iain Luke (Dundee, East) (Lab): I congratulate the Minister and his team on introducing this Bill and on the consultation process. Is he aware that there is an anomaly in relation to the time orders, on which there is a difference between Scotland and England and Wales? Obviously, the CAB in Scotland would be glad if time orders in Scotland were brought into line with those relating to England and Wales. Will he undertake to consider that in Committee?

Mr. Sutcliffe: The time order is an interesting, useful tool on which we need to do a great deal of work, for which the Bill provides. I will consider the various representations from the CAB in Scotland and elsewhere on how we can make the time orders most effective. I shall now try to make some progress with my speech.

We can see from the interventions by Members from across the House how important this Bill is to our constituents and to the credit industry. We were careful to consult at every stage. We could not have reached today's position without the continued support of all stakeholders: business, consumer groups and regulators. I thank all those who helped to get this legislation right.

Important though it is, the Consumer Credit Bill is not the whole picture. The Bill builds on the success of the consumer credit White Paper that we published a year ago. We have been doing considerable work with other organisations on many fronts. We have produced new regulations for credit advertisements, enabling consumers to shop around with confidence and to choose the best credit product to suit their needs. We have increased transparency across the sector by legislating for consumers to receive information before they sign up to an agreement. We have standardised the way in which APRs are calculated, so that consumers can compare the costs of credit deals with confidence. We know that many people found that a confusing issue—it was an issue to which the Treasury Committee devoted a lot of time, and we too are addressing it.

We have ensured that consumers are given clear, up-front information in the agreements themselves, in print which people do not need a microscope to read. We have introduced a fairer deal for consumers who want to settle their loans early. We have brought forward new rules enabling consumers to conclude agreements electronically, increasing financial inclusion across the sector. We have worked with colleagues in other Departments to provide regulations that ensure that consumers are protected when signing agreements away from business premises.

The Bill is therefore just part of our vision to provide protection for consumers in a fair, clear and competitive credit market. The Bill has three main themes: improving rights and redress, improving the regulation of consumer credit businesses, and ensuring appropriate regulation.

The current tools available to consumers for obtaining redress or solving credit disputes are, at best, limited. Where there is a dispute, consumers are often restricted to court action—a costly and time-consuming process. Where consumers are trapped in unfair agreements or subject to unfair behaviour, the current rules do not provide for adequate redress. I am sure that all Members are well aware of recent high-profile examples, such as the judgment last month in the case of London North Securities *v.* Meadows, in which an original loan of £5,000 soared to a debt of £384,000. Last month, the judge ruled that the agreement was unenforceable, partly because its terms were extortionate and failed to state correctly the terms of the loan. I am aware that the lender has appealed, and we await the outcome.

Mr. Graham Allen (Nottingham, North) (Lab): I congratulate my hon. Friend on introducing this long overdue measure, and colleagues in all parts of the House on ensuring that the measure was brought before the House today and not delayed. If the Bill is passed, extortionate rates of interest can no longer be levied on future loans, but schedule 3 also includes a welcome provision for those of us whose constituents currently have problems, to ensure that the courts can reconsider existing agreements during the transitional period. Constituents such as one of mine, Mr. Frederick Jones, of whom the Minister is well aware, need that redress. Will he be open in Committee to the idea of ensuring that that transitional period is brought forward, so that my constituents, and those of many other Members in all parts of the House, can get that redress early rather than having to wait at least two years?

Mr. Sutcliffe: I thank my hon. Friend for his compliments on the work carried out, but as I said, that work has been done by major stakeholders across the range. We are able to examine the possibility of retrospection because lenders themselves realise that their position and reputations are put in jeopardy when such cases come to the fore. I am sure that in Committee we can consider the detail of how best to use that provision to benefit consumers.

Mr. Michael Weir (Angus) (SNP): Following on from that point, one of my concerns is that while cases such as Meadows raise an anomaly, the court case deals with only the particular problem of that constituent or

[Mr. Michael Weir]

lender. I presume that the company has offered such loans to many other customers, who may not, for various reasons, have come to court, but who are in the same position. There seems to be no provision for forcing companies to allow some of their other lending activities to be examined. Would such a provision be feasible?

Mr. Sutcliffe: If the hon. Gentleman reads the Bill carefully, he will see that there is such provision in the form of the unfair credit test and the alternative dispute resolution procedure. We are improving the position, although if we find during the Bill's progress that further improvements are possible, we shall consider them. I believe that the reason why so few cases are brought is the high hurdle presented by the extortionate credit test. Lowering it by introducing an unfair credit test will improve things. I have already mentioned penalties, and the effect on the reputations of companies that do not act responsibly and fairly. The Bill gives the Office of Fair Trading powers to review the lifetime of licences that are approved.

As Members have pointed out, the Meadows case represents a rare success for the consumer. Consumers should have the right to challenge unfairness where it exists, and obtain redress when that is appropriate. The Bill, as I said, introduces a mandatory alternative dispute resolution system giving consumers a fast and effective procedure, without the need to resort to court action immediately. It will be run by the Financial Ombudsman Service, which is experienced in dealing with disputes of this kind, and it will provide an impartial ruling in any circumstances in which a lender's internal complaints procedure has been exhausted. Consumers will be able to challenge unfair agreements more effectively, and competition will be increased throughout the sector.

As I also said, the Bill will replace the out-of-date extortionate credit test with a new test based on the principle of unfairness. That will enable consumers to exercise rights that have previously been out of their reach. Consumers will be able to apply to the courts to reopen agreements involving an unfair credit relationship. The system will require consideration of all aspects of a transaction, including the lender's conduct in administering the loan. It will also give the courts a wider discretion to assist those who are unfairly treated by lenders.

Provisions on unfair relationships will act as an incentive for lenders who might exploit consumers to behave fairly, which will result in increased and effective competition throughout the market. Consumers will be empowered to challenge unfairness where it exists, and obtain redress when that is appropriate.

Empowering consumers by increasing their ability to challenge unfair agreements is our first aim, but consumers must also be confident that they are borrowing money from responsible lenders. Our second aim, therefore, is to improve the regulation of consumer credit businesses. The amount of work currently involved in licence renewal, together with the OFT's limited information-gathering powers and the lack of intermediate sanctions, hampers the OFT in both its running of the licensing regime and its policing of licence holders. The Bill will give it more powers, enabling it to obtain the information that it needs to ascertain and monitor the fitness of firms.

Overhauling the licensing regime will create more categories of licence, and will introduce indefinite standard licences, together with an improved fitness test based on the credit competence of licensees. The result will be a more streamlined, more targeted system that is more appropriate for the modern credit market.

Reducing the burden of bureaucracy on both industry and the OFT will also ensure that lenders acting unfairly are prevented from continuing and, if necessary, excluded from the market, that responsible lenders can be regulated by light-touch regulation, and that consumers can have confidence in a competitive market.

Mr. David Drew (Stroud) (Lab/Co-op): Will my hon. Friend give way briefly?

Mr. Sutcliffe: I will, but I need to make some progress.

Mr. Drew: My hon. Friend is being very generous with his time.

I know that cold calling per se is illegal, but the excellent "debt on our doorstep" campaign—no doubt my hon. Friend has engaged in plenty of consultation with its members—has brought to our attention the way in which sellers use shopping vouchers and go on to estates, especially at Christmas, trying to induce people to buy without clarifying their rights. Could that practice be dealt with more effectively?

Mr. Sutcliffe: That is not covered by the Bill, but as the Minister with responsibility for consumers, I am looking into doorstep selling. The OFT has produced a report on which we have consulted, and we will make recommendations in the near future on the whole issue of cold calling. My hon. Friend may know that the Competition Commission is examining the home credit market following a referral by the OFT. A great deal of work is being done to ensure that consumers are protected.

Consumers often suffer because of lack of information during the lifetime of a loan. Under the current regime they are often surprised by arrears or default fees, or are not told when they are behind with payments. The Bill will make lenders tell consumers when they default and when they are charged.

Ms Keeble: I believe that that applies only to longer-term debts. Will my hon. Friend consider making similar provisions to cover shorter-term debts, and to prevent debts from being rolled over year after year? People may find loopholes in the Bill as it stands.

Mr. Sutcliffe: We think that the balance is right in the Bill. It will deal with burdens on business, and ensure that products that should remain in the marketplace are retained there.

Keeping consumers informed is an essential part of being a responsible lender. Consumers must know exactly what their debt is. The more informed consumers are, the more aware they will be of whether a product is appropriate for them. Improving the standard of regulation, however, will be of no use if

regulation does not do the job for which it was designed. The Bill's third aim is to ensure that regulation is appropriate and measured, ensuring comprehensive protection for consumers while allowing industry the flexibility to innovate.

The Bill does ensure comprehensive protection, extending the protections in the 1974 Act to all consumer borrowing by removing the £25,000 financial limit above which consumer borrowing is not currently protected. It is appropriate and measured, maintaining the protections for business lending under £25,000. It allows industry the flexibility to innovate with an exemption for high net worth borrowers, enabling them to opt out of regulation. But lenders must also be confident that they are operating on a level playing field. The Bill makes the provisions in section 127 of the Act, on the enforceability of defective agreements, more proportionate. The remedy reflects the detriment.

Passing discretion to the courts will not remove consumer protection, because agreements can still be found unenforceable, but it will increase fairness across the sector and allow lenders to compete on the basis of best practice.

During our extensive consultations, we considered many other proposals. I am aware of campaigns to introduce an interest rate ceiling, which my hon. Friend the Member for Tyne Bridge (Mr. Clelland) mentioned earlier. The Government commissioned research on international practices, and decided not to introduce a ceiling in the UK credit market at this stage. We are not convinced that such ceilings help the consumers whom they are intended to protect. I stand by that decision, but as I told my hon. Friend, we are committed to keeping the matter under review.

Mr. John Battle (Leeds, West) (Lab): I am grateful to my hon. Friend, who has allowed many interventions. I join those who have given the Bill a warm welcome. I am particularly pleased about what it will do not just for those with credit cards, but for those in the sub-prime lending market—the poorest of the poor, who pay the most.

Having campaigned for the Bill, should the Minister not include in it a power enabling him to act on the basis of his review of whether a cap on interest rates and charges is necessary? If he leaves that open, we may have to wait another 30 years for more primary legislation to get to grips with the issue.

Mr. Sutcliffe: I congratulate my hon. Friend on his work in the all-party poverty group and on behalf of the "debt on our doorstep" campaign. I know that we disagree about interest-rate ceilings, although I will keep the matter under review. I do not think that taking powers through the Bill will help at this stage, but I am happy to discuss what might be done. I hope that it will not be 30 years before the Bill is reviewed, because the issues affect our constituents. We must ensure that people are treated fairly.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend the Member for Burnley (Mr. Pike) mentioned credit unions. I declare my interest as a member of the board of the Money Tree credit union in north-west Leicestershire. Does the Minister accept that credit unions have shown the way forward with interest rate capping, in that the loan rate used is capped at 1 per cent. per month and has been for a very long time? They do have a transparent, equitable and open approach to this subject.

Mr. Sutcliffe: On interest rate ceilings, which we can discuss in more detail in Committee, difficulties can arise in terms of what is included in the annual percentage rate. Hidden charges for late payment, for example, can be left out and the situation can become unclear. We will doubtless discuss the detail of the pros and cons of interest rate ceilings in Committee, but I acknowledge the work of credit unions. Part of the difficulty for some credit unions in trying to get people to save has been that they are unable to get access to credit for 12 weeks. We have looked at using the social fund and the new financial inclusion fund to assist credit unions in their efforts to help those who need early access to credit.

The Bill will empower consumers and encourage fair standards throughout the industry, and it drives forward an agenda based on responsible lending and responsible borrowing. It equips the UK credit sector to continue to lead in its field not only in Europe, but across the rest of the world, and it sends the direct message to the industry that for those who act dishonestly or unfairly, there is nowhere to hide. Our loan shark pilots are a prime example of this. But responsibility cuts both ways. Consumers have a responsibility to take control of their finances, to use credit sensibly, and to seek support and advice at the earliest opportunity when it is needed. The industry has a responsibility to provide consumers with the information that they need; to ensure that when it lends, it lends responsibly; and to make sure that support is available when customers get into difficulties.

We said that we wanted to improve rights and redress for consumers; the Consumer Credit Bill will provide for this. We said that we wanted to improve the regulation of consumer credit businesses; the Consumer Credit Bill will achieve this. We said that we wanted to ensure appropriate regulation across the market; the Consumer Credit Bill will secure this. It has been broadly welcomed and I commend it to the House.

2.12 pm

Mr. Stephen O'Brien (Eddisbury) (Con): I note that the Minister hopes, with the leave of the House, to have time to make a further contribution in the wind-up. He will therefore have two bites of the cherry, so I have a number of questions to which I hope he can give an answer today, perhaps with the assistance of those in the Box, if required.

This is one of only two Department of Trade and Industry Bills in the Queen's Speech, the other being the Bill on equality, for which no publication date has been given. The Bill before us is therefore the only current DTI Bill, so it is somewhat surprising that the Secretary of State is not here to present her Department's flagship Bill. The Minister did not apologise for her absence. As he knows, this is not the first time that she has not deigned to come to the House.

Mr. Sutcliffe: The Secretary of State is in India on Government business. As the hon. Gentleman says, this

[Mr. Sutcliffe]

is an important Bill, on which we have consulted widely, and I should point out that the DTI has confidence in its whole ministerial team. Strangely enough, under the Liberal Democrats, who want to do away with the DTI, or the Conservatives, who are not entirely sure how much spending they would allocate to it, we would not have a Bill such as this.

Mr. O'Brien: I am grateful for the Minister's explanation. I hasten to add that I meant no disrespect to him; I very much enjoy working with him—and sometimes at him—at the Dispatch Box. It would have been helpful to know that the Secretary of State was not listed to appear, and that today's arrangements were pre-planned. I am somewhat relieved to hear that she did not have to choose between being in London with the Prime Minister or in Africa with the Chancellor; instead, she decided to strike out on her own and go to India. *[Interruption.]* Labour Members clearly do not like being reminded of the proper courtesies of the House.

People have always wanted things that they cannot immediately afford, and there will always be others on hand with money to lend to them—at a cost. We cannot at all times follow Polonius's famous injunction in "Hamlet" to

"Neither a borrower, nor a lender be".

[Interruption.] Polonius, who was an old man, was indeed struck through after giving that sensible advice to a boy. Let us hope that no attempt is made to strike through this Bill, because as the Minister knows, it enjoys broad support.

As the former chairman of the National Consumer Council, Baroness Wilcox, has written,

"Many people are forced by necessity to borrow, sometimes on contracts that they do not understand, and at rates that realistically they may not be able to afford."

For precisely that reason, a previous Conservative Government introduced the Consumer Credit Act 1974. It regulates consumer credit and consumer hire agreements for amounts up to £25,000, and lays down rules covering the form and content of agreements; credit advertising; the method of calculating the annual percentage rate of the total charge for credit; the procedures to be adopted in the event of default, termination, or early settlement; and extortionate credit bargains. The Act also requires all traders who make regulated agreements to obtain licences from the Office of Fair Trading.

Of course, since the early 1970s markets for consumer credit have expanded significantly. Liberalisation of financial markets in the 1980s and shifting attitudes towards consumer credit have since contributed to an environment of greater financial sophistication. In 1971 one type of credit card was available. Today there are more than 1,300. Unsurprisingly, however, such rapid evolution of the consumer credit market has not occurred without serious consumer casualties along the way. The signs are that the number of casualties is increasing, not declining, under an increasingly outdated legislative framework.

According to the National Association of Citizens Advice Bureaux,

"The number of debt related problems dealt with by Citizens Advice Bureaux has risen sharply in recent years, growing by about 75 per cent. since 1997."

I would like to congratulate the outstanding citizens advice bureau in Winsford, in my constituency. It has helped many people, particularly those in very challenged social and economic circumstances who have already got into debt problems. In response to an earlier intervention, the Minister made the important point that citizens advice bureaux are not the only organisations giving advice on debt; others also offer advice to such people before insurmountable debt problems arise. However, CABs are among the best organisations for offering advice to those who have already incurred the debt from which they must extract themselves.

Mr. Martin O'Neill (Ochil) (Lab): In the light of the praise that the hon. Gentleman is showering on CABs, can he assure us that they would not be subject to the proposed economies and savings in Government expenditure on which Mr. James and others are advising the Conservatives?

Mr. O'Brien: As usual, the hon. Gentleman makes a partisan point. I had hoped that, as Chairman of the Trade and Industry Committee, he would make an impartial one. Just as the Government have initiated the Gershon efficiency savings review, so the James report is advising the Conservative party. However, that report adopts a much more rigorous, bottom-up approach to efficiency savings. Whether the assurance that the hon. Gentleman seeks can be given will be determined by my right hon. Friend the shadow Chancellor. I am sure that where efficiency savings can be made, they will be made. No test would conclude that CABs should be cut, so I hope that the hon. Gentleman is not trying to suggest that the James review would recommend doing so.

Angela Eagle: All Members will join the hon. Gentleman in paying tribute to the great work that CABs do. In its briefing to Members for Second Reading, NACAB says that the £50,000 limit on fines for those who contravene the terms of their licence and deal in unfair or extortionate credit agreements ought to go. As the hon. Gentleman has spent the past few minutes praising CABs, and in the light of their expertise and experience, does he agrees with that assessment that the £50,000 limit ought not to be included in the Bill, and should go?

Mr. O'Brien: I am grateful to the hon. Lady for raising that point. I heard her previous intervention on the Minister, and she raises a fair question about putting the ceiling in the Bill. It is not unprecedented, but it is not common. We all work closely with the CAB in our surgeries and have a great deal of respect for it, particularly on debt issues. My hon. Friend the Member for Tewkesbury (Mr. Robertson) will be leading for us in Committee, and I am sure that he will deal with that matter and explore it in greater detail.

The challenge for policy makers is to ensure that consumers are, in the words of Baroness Wilcox, "in control" of the credit they take. Consumer choice is

rightly a fundamental principle of a free market economy and consumers must be able to exercise their choice responsibly on the basis of full information that will apply for the life of the contract, not just at the time of the initial transaction. That is particularly the case for people on relatively low incomes. If their choices and obligations are not made easier to understand, they will continue to suffer the increasing financial exclusion that has escalated during the last seven years. It happens that, under a Labour Government, the gap between rich and poor has significantly widened.

Like the citizens advice bureaux and the National Consumer Council, the official Opposition welcome in principle the Bill's aims of cracking down on loan sharks and unscrupulous lenders, helping consumers challenge unfair credit agreements, and making credit agreements more transparent and understandable. We must bear in mind the fact that the vast majority of consumers handle credit sensibly, and for them the credit market is an important aspect of managing their affairs. Those on low incomes tend to be more vulnerable to the vicissitudes of financial fortune, and I pay tribute to the many Church organisations, charities, local government organisations and other groups, as well as the CAB, for the important work that they do on behalf of people on low incomes in their communities. It is vital unrelenting work of almost immeasurable worth to society as a whole, let alone to the individuals and families concerned. A prime example is the Royal United Kingdom Beneficent Association.

When we legislate, we must be careful not to confuse the fact of debt with the cause of debt, and we should not lose sight of the growing evidence that the primary cause of debt is often linked to the heinous practice of over-aggressive marketing, particularly to low-income people. I have to say that that applies in particular to doorstep selling, although I recognise the slight distinction that we have to make when it comes to doorstep selling and the campaign focused on it. That activity is not always carried out by those traditionally labelled the pariahs of society—loan sharks. Over-aggressive marketing is carried out by others, too, but the Bill is strangely silent on that serious aspect of the problem. I hope that the Minister will take the opportunity to explain the Government's thinking on what appears to be a glaring omission from the Bill.

I now turn to the action against what are known as rip-off practices. The duty of lenders to treat customers fairly in today's consumer credit market is a particular feature of the proposed legislation. The present extortionate credit test is 30 years old. In that time, the test has produced only 10 successful cases. It is clear that the difference between the original loan amount and the amount demanded back by creditors established as extortionate by the original Act is failing to prevent enough undesirable exploitative credit arrangements. It needs revision.

We support the principle of clauses 19 to 22, which give the courts new powers to make judgments about unfair credit agreements, moving the focus away from credit agreements to the overall way in which the lender deals with the customer. However, concern remains about the details of the legislation. The CBI and others believe that the burden of proof that it places on traders, so that every creditor-debtor relationship is unfair until proved to the contrary, is extreme.

Chris Bryant: In that case, does the hon. Gentleman support the idea, already advocated by several Labour Members, of imposing a ceiling on interest rates, or at least a provision whereby the Government could, via a statutory instrument at a future date, allow for such a ceiling?

Mr. O'Brien: The hon. Gentleman raises a point that has already been mentioned in interventions. I heard what the Minister said as well as he did. I am not ducking the issue, but I will come on to the point later, if he will bear with me.

I ask the Minister now how he will carry out his duty of allowing proper scrutiny of his proposals. To avoid any suspicion of headline grabbing in advance of an anticipated general election, will the Office of Fair Trading guidance, at least in draft, be published and made available ahead of the Committee stage, starting in the usual 10 to 14 days' time? After all, that would be fair in the current context. Any answer in the negative, I would submit, would be unfair to those seeking to scrutinise the Government's proposals both here and outside this place. For the Minister to withhold that guidance on the definition of "unfair" would be a sharp irony, as well as unacceptable. I hope that, as a courtesy to the House and a fair service to all interested parties outside the House, a draft will be made available before the Committee stage starts. That will be crucial to understanding the potential operation of the Bill.

Part of the Bill deals with action against rogue traders. Again, like the National Consumer Council and NACAB, I broadly welcome the tougher licensing system introduced in the clauses. They will give the Office of Fair Trading more powers to set more detailed and relevant tests on who is fit to hold a consumer credit licence, to request more information from consumer credit businesses over fitness and practice issues, to place more detailed restrictions on the activities of licence holders, to impose requirements on particular licence holders where the OFT is dissatisfied with their conduct, and to impose civil penalties on licence holders in breach of the requirements.

In theory those powers are, if exercised with restraint and proportionality, sensible. However, there is a significant caveat, given the Government's record on expanding bureaucracy and red tape, and their tick-box approach, which experience shows is least likely to work, because it is no substitute for the judgment and responsibilities of practitioners. Clause 38 confers powers on the OFT to impose requirements on licensees and give the regulator potentially greater flexibility. The only present option is simply to kill or to keep a licence held by a firm that may have 100 or more branches. Businesses and consumers alike stand to benefit from the OFT's being able to require a single offending branch of a firm to address the matter with which it is dissatisfied, rather than having to choose between either ignoring isolated instances of bad practice or the draconian option of shutting every branch of the firm.

The Government have resisted—I believe rightly—the temptation to make high interest rates unlawful per se, and they have not applied interest rate ceilings. That

[Mr. O'Brien]

deals with the intervention of the hon. Member for Rhondda (Chris Bryant). However, in an interview broadcast on the radio on the Sunday before Christmas, the Minister said that such provisions would be unworkable. I am concerned because in the same interview he said—he repeated it this afternoon—that the Government would keep their fundamental policy approach under review, not least through pilot research being conducted in Birmingham and Glasgow. He said that if the power to introduce an interest rate ceiling were introduced, such a power could be introduced by the simple expedient of secondary legislation under the Bill. After what I have heard today, that may have been brought up to date. I agree that it would be unacceptable to confer such a power through secondary legislation, and I hope that the Minister will reconfirm that it would be done through primary legislation.

Mr. Battle: If there were a power in the Bill that allowed the Minister to introduce capping on rates and the charges that often compound the interest and take people from being £100 in debt to being £1,000 in debt, the Minister would not have to use it, but its existence would act as a signal to the markets that if they did not act responsibly, the Minister could act. Would that not be worth while?

Mr. O'Brien: I am grateful to the right hon. Gentleman. It is an interesting idea to have powers in a Bill to act as a deterrent against their ever being used—and from time to time, that is how it works out in practice. I accept that point.

It is not my position to make the Government's argument, but the Bill contains an unfairness test. As I understand the right hon. Gentleman's argument, he wants a new policy approach after all the research that the DTI has commissioned, especially on international best practice, has been gathered. I would insist that any new policy approach should be in the form of primary legislation. Otherwise it would exist only as a threat, rather than something that we could properly consider and scrutinise, as is the duty of this House.

Angela Eagle: Will the hon. Gentleman give way?

Mr. O'Brien: I will, although the hon. Lady has already had a good crack at intervening.

Angela Eagle: I thank the hon. Gentleman for having the grace to give way again. Does he think that compounding interest rates, which my right hon. Friend the Member for Leeds, West (Mr. Battle) mentioned, and which causes major distress, as many of us know from our surgeries, could ever be fair?

Mr. O'Brien: I, too, have heard from many constituents who have suffered from that phenomenon. I suggest that the unfairness test would deal with such problems, but it is really up to the Minister to give a proper response to the hon. Lady. As I understand the Bill's intent, and therefore the basis on which the Opposition has assessed and scrutinised it, the unfairness test is intended to encompass the essence of what is fair or not fair about any compounding, or some compounding. That is not yet determined. However, the hon. Lady makes a fair point about the Bill: it lacks detail, which is unhelpful at this stage.

Clauses 44 to 51 provide new rights to receive information from lenders on the status of their borrowing at points throughout the lifetime of a loan. I am glad that the provisions cover the lifetime of the loan, because I have always regarded that as very important. The information includes annual statements for fixed-sum credit for a duration of more than one year; warnings on the consequences of minimum payments to credit cards; notice of arrears, accompanied by new advice sheets; notice of any sums charged as a result of defaulting on a loan; and notice of contractual interest charged after a court judgment has been made on a loan. Such regular information bulletins will hep to address the point about compounding that the hon. Member for Wallasey (Angela Eagle) rightly raised.

Notwithstanding the concern expressed by some in the consumer credit industry that sending formal arrears information notices to customers within 14 days of a missed payment may distress them, in our view NACAB is correct in its assessment that

"the provision of information to borrowers about events affecting the status of their loans is an essential safeguard against growing indebtedness".

However, let us be realistic. It is not good enough for the Government to insist that borrowers, especially low-income borrowers, receive a deluge of letters just so that the lender can prove its track record and leave a paper audit trail for the regulator, because people in difficulty often just put such letters in a drawer. People put their heads in the sand, and I have never known of any legislation capable of preventing that.

It is important to recognise that the relationship exists throughout the lifetime of the loan, not just at the time of the initial transaction. Other approaches can include the sympathetic phone call to help someone come to an arrangement, however small the regular amount and however long the period. That area is vital for low-income borrowers. I accept, however, that some low-income borrowers do not have a telephone—we need to root our proposals in the reality faced by many of these people.

As NACAB also points out, the proposed legislation does not cover extending the right to a statement to fixed loans lasting less than one year. I know that my hon. Friend the Member for Tewkesbury intends to pursue that point in Committee. As shorter loans are often charged at even higher interest rates and are also often "rolled over", a similar statement for fixed-term loans lasting less than a year might also benefit consumers. Such a statement might be issued at the mid-point in the loan.

In summary, these clauses demand of the lender a real commitment to a continuing relationship with the consumer beyond the initial transaction, which is best practice operated by many in the industry already—not least because it is in their interests to stay close to their customers at all times in all circumstances. The proposal extends the principles of best practice. But let us not forget that all too often, the real difficulty is persuading the borrower to contact the lender early enough when difficulties loom, so that a manageable and fair arrangement can be worked out.

The final principal measure in the Bill is a new route to consumer redress through the application of the financial services ombudsman scheme to consumer credit licensees, as outlined in clauses 59 to 61. The aspiration here is to provide more accessible and lower-cost dispute resolution processes. Although the measure has our tentative support, there is a lack of detail in the Bill, and we will want to explore the detail of the proposals carefully in Committee.

One reason for our caution is the last dispute resolution procedure introduced by the Government on 1 October 2004, which applies generally to employers and employees. In that instance, the Government claimed that the new dispute resolution regulations amounted to a simple three-step procedure. In fact it is a 13-step procedure—a number that is clearly unlucky for the Department of Trade and Industry. The regulations were so complicated that the explanatory guide produced by the Department turned out to be incorrect and had to be reprinted at a cost of £200,000—another example of the waste that may mean that there is not enough money to continue to fund citizens advice bureaux, as the hon. Member for Ochil (Mr. O'Neill) mentioned.

The CBI has also expressed doubts that the financial ombudsman scheme

"has the skills, expertise, experience, resources or the appropriate charging structure to be able effectively to take on complaints relating to a whole range of smaller transactions than it currently covers."

We will need to look carefully at the charging regime for smaller transactions.

Ms Keeble: I read that part of the CBI's briefing, but I challenge the hon. Gentleman to say what evidence there is for that point. I have used the financial services ombudsman in both large and small cases. His office does seem to have the expertise and can provide a cost-effective remedy for people with specific complaints. It is an excellent way to gain assistance for the public.

Mr. O'Brien: I, too, have some experience of the financial services ombudsman on behalf of my constituents, and the response has often been very helpful. The CBI must answer for its own evidence, but it is my job on Second Reading to ensure that the concerns that have been expressed by all interested parties are given a proper airing. I do not have an answer to the hon. Lady's question, but the financial services ombudsman himself said, in an interview on the "Money Box" programme, that he had real concerns about his office's capacity to cope with the volume of work. The Bill would inevitably add to that volume, not least because those involved in smaller transactions are just as concerned as those involved in larger transactions, but the unit cost to the FOS will be disproportionately higher. We must at least consider whether we have the capacity to deliver the intent in the Bill. The hon. Lady asks a fair question. I do not have the answer, but it is now at least on the record.

The CBI added that

"consultation on these matters was promised, but has not been forthcoming".

The Minister said that there had been a lot of consultation. I was certainly aware of that, but the Government also claimed that they had consulted on the proposal to scrap community health councils. My campaign four years ago proved otherwise. The Prime Minister had to write me a three-letter page of apology on that point. We had a decent campaign, but the councils were still axed—and something very much poorer was put in their place. Let me point out to the Minister that the CBI feels that it has not been consulted on these matters. We will naturally seek answers to these points in Committee, and we have already signalled that we will not vote against Second Reading.

Let me deal with the reaction of business to the Bill. We should not forget that all transactions have two sides. Members on both sides of the House have expressed their concern for people on low incomes and other vulnerable people. That is right and proper as part of the job we do on behalf of our constituents. However, that would not be an issue if there were not another party to every transaction. In broad terms, British business welcomes the Bill, but like us it has asked where the details are. I listened with interest to the exchanges about unsolicited credit card cheques with the hon. Member for Warwick and Leamington (Mr. Plaskitt) and my hon. Friend the Member for South-West Bedfordshire (Andrew Selous), and I hope that that important issue will be explored in Committee.

Rogue traders are a menace to business, as well as to individual consumers. As the Federation of Small Businesses correctly observed,

"small businesses need similar protection afforded to consumers as entrepreneurs often use their house for security and lack specialist financial knowledge".

The British Chambers of Commerce commented that they

"generally support measures to tackle unfair practices in the consumer credit market".

The CBI

"supports in general the principle of the approach in the Bill to provide greater transparency in consumer credit transactions and the ability to target those traders who deliberately set out to deceive consumers".

It is most unfortunate that the Liberal Democrat spokesman—the only member of his party to attend the debate—has disappeared, as I am about to tackle the Liberal Democrats' irresponsibility about the whole matter. They will have to read my comments in *Hansard*. We may take business's general approval of the Bill as complete disproof of the Liberal Democrats' simplistic and erroneous belief in the permanent struggle of interest between business and the consumer. I trust that the Minister will not have to suffer the same extraordinary diatribe against the high street banks from the Lib Dem spokesman—wherever he may be—that characterised his party's reaction to the Queen's Speech, issued to the *Times Online*, on 23 November 2004. If the Minister responds to that, the Lib Dem spokesman will be surprised, as he will not have a clue about the question that is being answered, but we shall welcome him back when he returns.

There is, however, justified concern about some of the specifics of the Bill. The first is the lack of clarity throughout the draft legislation, with, consequently, an over-reliance on secondary implementing legislation that is not, as everyone in the House must admit, subject to the same degree of parliamentary scrutiny. As I mentioned, the Bill sets out three sources of protection

[Mr. O'Brien]

for consumers facing unfair practices: the unfair credit jurisdiction of the court, in clauses 19 to 22; the consumer credit jurisdiction given to the financial services ombudsman, in clauses 59 to 61 and schedule 2; and the guidance issued by the Office of Fair Trading mentioned in clauses 19, 30 and 41.

How will those different jurisdictions work together as a coherent system of consumer protection? Is the OFT guidance on the fitness of consumer credit companies for a licence sufficient? Will it leave businesses feeling informed and prepared, when the primary legislation states only—*[Interruption.]* Oh, the Liberal Democrat has returned; it is good to welcome him back.

Clause 30 states only that:

"The OFT shall prepare and publish guidance in relation to how it determines, or how it proposes to determine, whether persons are fit persons".

Will the guidance, even in draft, be available before the Bill goes into Committee? That will be crucial if we are to give the measure proper scrutiny.

What about clause 62, which gives the OFT powers

"to monitor, as it sees fit"

businesses being carried on without a licence? According to the draft regulatory impact assessment—people such as me really do read those things—the estimated administration costs associated with the measures are £4.9 million a year. How can the estimate be so precise when the phraseology of the legislation is so vague?

The ambition of the legislation is justified, but the some of the drafting leaves much to be desired. As one interested party told me, the Bill is so vague that it is "not fit for purpose", with Ministers ducking their responsibility to propose the remit of the OFT, which Parliament should be setting rather than offloading it all on the OFT. There is a suspicion—I say no more than that—that Ministers are trying to avoid blame when the inevitable unintended consequences flow from a Bill in such an inadequately drafted state and/or that the Bill was drafted quickly so that it could be proposed today, to catch a passing headline in the run-up to a general election. However, we know how long the Bill's gestation has been, so I give the Minister some credit when I suggest that that may not be the answer.

Mr. Sutcliffe: I wanted to intervene on several of the hon. Gentleman's points, but resisted as I shall have a second bite at the cherry during the winding up. However, the time scale of the Bill is not about cheap headline grabbing; the issue affects many people in terms of poverty and financial exclusion. All parties welcomed the White Paper and the regulations that resulted from it. There were no votes against any of the relevant statutory instruments. The reason why the Bill has taken so long is that it is important that all stakeholders—the industry, consumer groups and the voluntary sector—move forward together. That is why so much time has been taken, but I shall answer many of the points that the hon. Gentleman has raised when I wind up the debate.

Mr. O'Brien: I am grateful to the Minister. The points about the length of time the Bill has taken to prepare were put to me by the interested parties we consulted before Second Reading, and I hope that I couched them in terms that suggested that the latter allegation was unfounded. Yet again, there is broad consensus at the Dispatch Box.

To avoid the practice of Ministers and officials relying on secondary legislation to implement costly measures briefly and vaguely alluded to in primary legislation, I ask the Minister to take note of one of the actions recommended in the Conservative party's latest policy document on business deregulation—it is one of which I am particularly proud, because I was responsible for it. We recommend conducting secondary regulatory impact assessments

"whenever the substance of an important regulatory initiative would be provided by the exercise of secondary powers by Ministers or agencies".

Interestingly, that is not currently a power, so I invite the Government to adopt our policy—in any case one of the Labour party's favourite pastimes, in words if not in action—as it would be so desirable in this case.

The Opposition's priority is always to ensure that any new regulation on British business, if it is judged necessary at all, is proportionate, and that we have the appropriate means properly to measure its proportionality. Over-zealous regulation of the consumer credit industry would result in the consumer ultimately suffering a lack of choice, accessibility and affordability, as creditors withdrew products and the market shrank. We share the CBI's concern that

"many of the significant policy areas have been left to . . . guidance from the OFT".

A regulator does not have the same accountability to Ministers, and through them the electorate, as a Department of State such as the DTI. A recent academic study found that the budgets of the main Government regulators have tripled since 1997, and the headcount has more than doubled. The Government's own quango, the Better Regulation Task Force, recently complained that there are now so many regulators that it is impossible to establish precisely how many there are. That was confirmed by the response to a parliamentary question that I received on 8 July 2004 from the current Minister for Trade and Investment, when he was in the Cabinet Office. It is an incompetent and unaccountable way to govern.

Given the significant new enforcement and law-making powers that the Bill awards to the OFT, it seems sensible, as the Consumer Credit Association suggests, to place a legal requirement on the OFT similar to that which currently applies to the FSA: that the regulator should take into account the need for proportionality, and the need to promote innovation and maintenance of the UK's competitive position. That is especially relevant since, according to the World Economic Forum, under Labour, the UK has fallen from the fourth to the 11th most competitive economy in world rankings.

Another major complaint from a range of interested parties is about the timing of the legislation. Interested parties could now consult *Hansard* to read the Minister's opening remarks; in the light of what he said, I need not develop the comments that I had prepared for

Second Reading. As the Trading Standards Institute has noted with some concern, however, there is not much "room for error" in getting the Bill on the statute book before a general election, if it is right, as we learn from *The Sun*, that the Prime Minister has scheduled one for 5 May.

The Prime Minister described the Consumer Credit Bill as an important piece of legislation—like his Chancellor, let us not go down the track of whose word we can believe these days—yet despite those assurances, the Secretary of State for Trade and Industry is not in the Chamber. We hoped that the Bill could have been introduced earlier, although I accept that the Minister has been working hard to build consensus. There is an absence of the detail that would have helped us to scrutinise it, which is surprising given the length of time that the Bill was in preparation.

In September 2003, the DTI published a research study, which found that 80 per cent. of people would welcome more information on their consumer credit rights; 56 per cent. of respondents deemed the language used on credit agreement forms hard to understand; and an overwhelming 84 per cent. believed that consumer loans should be subject to the same regulations regardless of size—in other words, that the £25,000 threshold should be removed.

Chris Bryant: But 80 per cent. of people do not understand percentages. What would the hon. Gentleman do about financial literacy in schools?

Mr. O'Brien: I am pleased that the hon. Gentleman asked that question, as I take a close interest in that matter and shall deal with it almost immediately. Financial literacy education, as against numeracy, is vital not only as a safeguard against debt but also for the competitiveness, enterprise and entrepreneurial culture of our country.

Why was the Bill not included in the 2003 Queen's speech? There is real concern that the savings ratio has fallen by nearly half since 1997, and now compares unfavourably with those of other advanced countries. While our savings ratio is 5.5 per cent., according to the OECD the EU average is 12 per cent. The Chancellor has seen it fit to take £5 billion a year out of pension funds, supported by Parliament with its Labour majority. Labour's first Minister with responsibility for social security, the right hon. Member for Birkenhead (Mr. Field), said:

"when Labour came to power we had one of the strongest pension provisions in Europe and now probably we have some of the weakest."

As my right hon. Friend the shadow Chancellor has noted:

"It took six hundred years of banking history for household debt to reach half a trillion pounds. Now, under seven years of Labour, this has doubled."

Mr. Plaskitt: If the hon. Gentleman accepts that total household consumer indebtedness has reached £1 trillion—he seems to make something of that—will he acknowledge that total household assets have exceeded £6 trillion under this Government?

Mr. O'Brien: I am happy to acknowledge the balance of the asset calculation, but that does not relate to cash. Savings are what matter, so I was making my arguments in the context of the savings ratio, which has suffered such a dire collapse. That is especially important when we consider its relationship with debt.

According to the Bank of England, consumer credit is running at about £1.5 billion a month. Borrowing increases by 15 per cent. every year and the average household borrows 140 per cent. more than its combined income. The Bank of England goes on to state:

"This is above the levels in the US and most large EU countries ... The continuing rapid build up of debt by many borrowers may be building up vulnerabilities for the long term."

The Conservative party takes the issue of consumer debt seriously, because unmanageable debt robs people of their security in the future and their independence from the state. That explains why we have set up a commission chaired by Lord Griffiths of Fforestfach to investigate all aspects of household debt. On Tuesday, the shadow Chancellor published six options to restore the savings culture, which is essential if people are to have security for the future and independence from the state.

We shall support the Bill, so it will not be we who prevent its safe passage through the House. Nevertheless, we are committed to giving it proper parliamentary scrutiny because it lacks adequate detail at present, which may, as a result, have unintended and adverse consequences for the industry and, ultimately, for consumers. The problems of indebtedness, which relate to a sophisticated and complex credit market and, increasingly, equally sophisticated and complex consumer demand, place a duty on the Government to supply citizens with adequate information, protection and education. That addresses the point made by the hon. Member for Rhondda.

Gregory Barker (Bexhill and Battle) (Con): Is my hon. Friend aware that such is the rate of spiralling household debt that in the time he has been addressing the House, household debt in Great Britain will have risen by about £10 million?

Mr. O'Brien: Quite clearly, the sooner I sit down the better. I am grateful to my hon. Friend because that brings home to us how real the problem is. A proportion of that £10 million—something in the order of 10 per cent.—will be debt that it would have been wiser not to incur, which will inevitably put people in stressful circumstances. Some £1 million of debt will have been raised in the past half hour and that will cause untold stress, mayhem and perhaps tragedy, as we heard from the Minister. We should not lose sight of the gravity of the debate.

I return to my point about education, because we could make a positive contribution to financial literacy. Supply and demand are sophisticated concepts. The 2004 "Fair, Clear and Competitive" White Paper noted that

"for consumers to be able to make rational, well-informed choices about financial products",

they need not only "access to information", but

"the ability to understand that information".

[Mr. O'Brien]

MBNA is a significant employer of my constituents as its UK headquarters is based in the city of Chester. I am visiting it next week to discuss with it all aspects of the Bill. Additionally and importantly, I shall discuss its ongoing commitment over several years to a big issue that is markedly absent—perhaps understandably—from the Bill: the provision of expert people, time and resources for the education of children in our schools in financial literacy to give them the basic levels of understanding to equip them to go out into the world and handle money. Of course, student debt is now heaped on people at a young age, so such a scheme will enable them to handle that responsibly and with understanding. I pay tribute to MBNA for the exemplary work that it already does to lead that field in Cheshire.

Anyone who has been in business knows that any investment in the education of a business's consumer market and those who will enter that market is a proper investment. The industry thus has a real responsibility to make such provision. Any hon. Member who has been a teacher will know that a teacher seldom wakes up in the morning and dashes to school to teach children about money. Teachers want to teach history, English and maths, so we need the extended resources to come from the industry itself. I suggest that we could add value to the Bill by considering such a programme, so I urge the Government to consider that seriously.

The Government's attitude to excessive and irresponsible borrowing is not an example that the citizens of this country should follow, especially the young. I hope that they have not left it too late to do too little. However, the Bill is well intentioned and I hope that the detail will prove that my last statement was not justified. We shall have to wait for the Committee to see that detail, but it would have been helpful to see it now.

2.56 pm

Mr. John McFall (Dumbarton) (Lab/Co-op): I give a warm welcome to a long overdue Bill, because the current legislation on the statute book is not fit for purpose. I thank the Minister for his welcome appearances before the Select Committee on the Treasury over the past few years in which we have investigated the matter.

I hope for unanimity in the House on the Bill today because surely there can be little dispute about the key issues. The Bill will enhance consumer rights and redress, and ensure that the test of extortionate credit is replaced with an unfairness test. The need for alternative dispute resolution has been mentioned in the context of the Meadows case in Liverpool, but given that a case that started with a £5,000 debt rising to £385,000 took 14 years to go through the courts, we need a mechanism to take the matter away from the courts so that such cases can be settled speedily. The Bill will improve the regulation of the consumer credit business because the licensing scheme will be strengthened. I think that all hon. Members hope that the Bill will allow us to tackle the problem of loan sharks, which we have all been banging on about for many years. The Bill will ensure that there is more appropriate regulation when there is an extension of protection to all consumer credit by abolishing the financial limit.

The discussions that members of the Treasury Committee have held with witnesses showed that there was a general welcome for the Bill. For example, Ian Mullen of the British Bankers Association told me through correspondence that the timing was right and the Bill was drafted sensibly. Sandra Quinn of the Association for Payment Clearing Services said that the Bill would make transparency and marketing much better. John Vickers of the Office of Fair Trading, who has appeared before the Committee to give evidence about the matter, said that the Bill would ensure that credit regulations were relevant to today's growing market.

The Treasury Committee started its inquiry on the matter several years ago with twin objectives: transparency and a desire to ensure that the market was competitive. Those have been recurring themes since we first read Don Cruickshank's report on banking services. The Committee has been unanimous on that and, indeed, an official Opposition member of it recommended the Cruickshank report so that we could examine the matter in greater detail. We found a market in which the consumer was confronted by complex credit agreements, charging methods, credit cards and other unsecured loan products that often had opaque and ambiguous terms and conditions. We concluded that only when the consumer information is transparent and there are good, fair products will the market be truly competitive.

The Treasury Committee's concerns were aroused when we had a group of chief executives before us a number of years ago. When we asked how to calculate interest rates, one of them replied, "You need a bit of calculus." So we went to the university of Cambridge, to the deputy director of the Isaac Newton Institute for Mathematical Sciences. We gave him a Barclaycard with a £1,000 debt on it. After a whole afternoon's work, this esteemed mathematician sent us back a six-page document on how to calculate interest rates. It was beyond me, and I am sure that it would be beyond everyone in the House to understand how the interest rates were calculated.

Mr. Plaskitt: It was beyond that mathematician.

Mr. McFall: It was beyond quite a number of people—certainly beyond chief executives whom we asked to calculate it when they came before the Committee.

So our concerns were aroused. We found that there were not one but two definitions of annual percentage rates in existence. We have been pushing the Minister and the Department of Trade and Industry to ensure that we have one APR definition. I believe that that matter has now been resolved, but I should like the Minister to reassure us and the public on that point.

Still today, the way in which interest rates are calculated means that we can have two credit cards with identical APRs and balances to be paid over the same period but subject to different amounts of interest, in some cases varying by about 70 per cent. The Minister must look at this issue. There are 10 different ways of calculating interest. For example, some credit card companies start calculating interest from the day of purchase. Some wait until the purchase is posted to the

account. Some stop charging when the statement is issued. Some stop charging when the payment is made. Most credit cards offer interest-free periods for new purchases, but some apply them to all new purchases while others apply it to those accounts on which there is no outstanding balance. So there is a recipe for confusion and ignorance in the market today.

Mr. Pike: Does my hon. Friend agree that the way in which the company uses the repayment is also important? People may be charged different interest rates on different parts of what they owe. Usually the repayment is used to repay the part that is subject to the lowest, not the highest interest rate.

Mr. McFall: That is exactly right. I defy any hon. Member to explain to me in simple terms how their interest rate is calculated.

When we do not have information readily available, we do not have informed customers and we do not have a level playing field. The need for transparency is still as urgent today as when we took the issue up, even though advances have been made.

According to opinion polls, 80 per cent. of consumers are unaware of the differences in how interest is calculated, never mind being able to work them out. The industry has not yet made a convincing argument, certainly to our Committee, against some form of standardisation. The companies state that this is a competitive issue. The Committee and others do not take exception to that, but there must be some form of standardisation while retaining the competitive aspect. The last thing the Committee and others would want is to take away that aspect. We want it to remain. We have pushed hard on the issue of transparency.

As a result of our inquiry, the banks and credit card companies have introduced summary boxes on monthly statements. A number of them—not all—are making progress on minimum repayments. We know the concept of the monthly bill stating a minimum repayment. We asked two banks that came before us how long it would take customers to repay the full amount if only the minimum repayment was made. One said 18 years and nine months and the other said 24 years. That is if some of the capital is paid off. But some minimum repayments are only 1 per cent., so the capital is not repaid, and in some cases the customers would never pay their balance off. We are saying to the industry that surely it is right, in fairness to the customer, for that to be on the statement so that they can take an informed decision. If they see that it will take 20 years to repay the debt, perhaps they will do something about paying more to clear the debt more quickly. I am glad to report that both Barclays bank and Lloyds bank have made progress and put that information on the monthly statement.

There is also the issue of transaction and penalty fees. As we know, fixed fees are charged if payment is not made. There is concern that such fees could result in excess moneys coming into the banks. The banks tell us that they merely clear their costs, but not one has declared that publicly. Indeed, most of them say that they do not even declare it to their shareholders. As a result of our work, the Office of Fair Trading looked into the issue and asked the banks for that information. I hope, in the interests of the banks themselves, that they declare the information in public, because then they could reassure the public that the banks are not exacerbating the problems of indebtedness for low-income borrowers, which some groups such as Citizens Advice, the National Consumer Council and others in submissions to the Treasury Committee have said could be the case. We need that public declaration to provide that reassurance.

Mention has been made by some individuals of marketing. It is a big issue. We found in our inquiry a real case of a drug addict in a drug clinic who had been offered a £10,000 credit card loan by a company. He was going to take it up to feed his habit, but the supervisor in the clinic saw it and stopped it. I label that as irresponsible marketing. Companies need to do something about it.

Since the Treasury Committee undertook the inquiry, I regularly receive 40 or 50 letters a week from people all over the country on the issue. I will read one from an individual who said:

"My son 24 has a cluster of learning difficulties including dyslexia, dyspraxia, Aspergers Syndrome etc, a maths age of 12, cannot read print below 12 point and only half a page—but he holds down a job in known limits. He can enter into an agreement with a Bank or mobile phone company but the Data Protection Act prevents parents who primarily care for him from having details of commitments he makes.

In February 2002, his Bank"—

I will not name his bank; it is a major high-street bank—

"were made aware of his special needs and in June 04 I asked them not to raise his credit limit." But it was immediately raised from £400 to £650 automatically. The parent continues:

"by late August his overdraft was £660—Bank then convinced him to have a £2,500 loan at 19 per cent. (spent in 6 days)—the overdraft became £1,200 despite my warnings to Bank."

He then went for another loan of £10,000, which was spent in five days. The letter continues:

"Bank charges alone now amount to £200 on top of repayments and each time a statement is needed it costs £20."

Mr. Stephen O'Brien: The right hon. Gentleman has made an extremely important point. I know of a case in which someone wanted his elderly father to remain independent. However, he did not find it easy to cope with his father's financial affairs, so he sent a notice to the bank asking it to keep an eye on his account. The father never spent more than £50 at a time, but he lost thousands of pounds to a rogue roof tiler and builder. The right hon. Gentleman is making a strong and wise point—we must find an effective binding for high street banks. It should be possible to put them on notice, given that a son has no right to demand a power of attorney to conduct his parents' affairs and prevent them from being ripped off.

Mr. McFall: I am grateful to the hon. Gentleman for his support. I think that we are all at one on this issue. In my discussions with banks, credit card companies and others, we have pointed out that such action would help them as well as their customers.

The Treasury Committee found that data sharing was crucial. We have heard, and will do so again today, of tragic cases in which people commit suicide. They are a minority, but there is a tipping point for many people. However, information is not available for banks and

[Mr. McFall]

credit card companies to assess an individual's needs and responsibilities, so a tipping point is reached and extreme consequences result. The Treasury Committee has written to the Information Commissioner and, along with him and the OFT, we are working towards all banks sharing full information on credit cards, as that could help to prevent situations arising in which consumers with a large outstanding debt relative to income manage to make the minimum repayment every month but none the less are struggling. If individuals make a repayment every month they do not come to anyone's attention. However, as I shall illustrate later, someone with 20 or 30 credit cards could be struggling, so the sharing of positive and negative data is extremely important. The Information Commissioner and the DTI have a role in ensuring that comprehensive data sharing is introduced. The lender must always assess an individual's ability to repay, but can only do so with full credit data. They need to make an examination of a customer's full credit commitments in relation to income.

The lack of data sharing hampers responsible lending. The availability of credit is good for our constituents and society generally. It helps individuals and families to achieve their ambitions, and meets their needs. However, we must make sure that the equation between responsible borrowing and responsible lending is in sync. Since the major banks appeared before the Select Committee advances have been made. Recently, one of those banks wrote to me:

"I wanted to say how pleased we were that the Committee recognised the progress . . . made in increasing the transparency of our credit cards. As we have said before, we are not complacent and believe it is in the interests of consumers and the business to find ways of increasing clarity and transparency. I can assure you that we intend to maintain this progress in the months ahead . . . We accept that many consumers do not yet fully understand the differences in interest charging methods between credit card issuers."

Clearly, transparency is still a long way off in the industry. Progress has been made, but the Government must be robust. I am not making any criticisms of the Minister, who has engaged positively with the issue, but it is scandalous that we have had to wait more than 30 years for a consumer credit Bill.

The country's £1 trillion debt has been mentioned. That is a sizeable sum, but we must remember that more than 80 per cent. of that borrowing is for mortgages on our homes, which are worth more than £3 trillion. If we add the value of other financial assets, including pensions, shares and stocks, the asset figure is well over £5 trillion.

Mr. Plaskitt: It is £6 trillion.

Mr. McFall: I accept what my hon. Friend says, as he is a keener mathematician than I am. The country is in the black.

Mr. Sutcliffe: Another key figure is the amount of disposable income spent on servicing debt. There are scare stories about debt, but 80 per cent. of it is for mortgages, which make people asset-rich. There has been a 50 per cent. increase in household wealth since 1997.

Mr. McFall: I accept that. We must keep the matter in perspective. The problem, as the Governor of the Bank of England stated when he appeared before the Select Committee on one occasion, is that 10 per cent. of the lending is unsecured so 10 per cent. of the population could be affected. The FSA recently stated that many millions of people still had problems dealing with their debt. Although we are not complacent, we recognise that the country is in the black but that quite a number of people at the lower end could be facing a real problem. They could be tiptoeing into disaster.

The financial services industry is a big industry. It is competitive and profitable, and I welcome that. However, the industry needs to adopt a more acute social dimension. The top nine banks collectively made £17 billion in pre-tax profits in 2004, but with the financial services industry recently being voted the second worst industry by consumers, there is an urgent need to rebuild consumer confidence. That must be a major priority for 2005.

For those tiptoeing into disaster, we need data sharing. We need to bring those who are over-indebted and those who are financially excluded into the wider financial sector network. I was sent information by a debt charity which looked into the situation and concluded that extreme debt is a growing problem. It examined three aspects—first, individuals with debts of more than £100,000. There were 815 clients in that group. The average debt was £114,000. Whereas 75 per cent. of people in that group had their own house and assets, 25 per cent. lived in a rented property and had no financial back-up. The question must be asked how such a situation could come about, where 815 people have average debts of £114,000.

The second aspect was the ratio of debt to monthly income. In the sad case of Dereck Rawson, who left a suicide note in May citing debt as the reason for taking his life, he had run up debts of £97,822 and owned 16 credit cards, but he had a monthly income of £1,473. That is a ratio of debt to monthly income of 66:1. How could anyone possibly pay off a debt of £97,000 with an income of £1,473 a month? There is a need for the industry to get its act together. There is a need for data sharing to ensure that industry good practice is not tarnished by the bad news resulting from such tragic cases. A 66:1 ratio of debt to monthly income is totally unacceptable. Urgent action is required to prevent it.

The third aspect that the charity considered was people with more than 16 credit cards. There were 178 clients in that category. The mean number of cards was 20 and the highest number that an individual had was 48. One can imagine a person with 48 credit cards making the minimum repayment of one or two pounds every month and getting himself or herself more and more into debt as the months go by. Surely we must have a sane system whereby an assessment is made of an individual's commitments so that we can prevent tragic cases from happening. That is in the interests of both the consumer and the industry. We will work with the Department of Trade and Industry and others to achieve that. I do not minimise the difficulties, but for the sake of a functioning, competitive market that is fair to customers we must achieve that aim.

Over-indebtedness and financial exclusion are important issues. The Government response to the Treasury Committee states that 3 million households

hold no bank accounts. As we know from our constituents, individuals and households who are excluded from the financial community are also excluded socially.

The Treasury Committee is currently undertaking a short inquiry into cash machine charges and financial inclusion, and the Government have a lot of work to do in that particular area. We have taken evidence from the citizens advice bureau in Speke, Liverpool. Speke has a population of 10,000, but a free cash machine is not available and the cash machines all charge £1.50. The Government want to bring people into the financial network and advise people on low incomes not to withdraw all their cash at one time. If people go to their local convenience store to withdraw small amounts of cash, however, 20 to 25 per cent. of their benefits, or perhaps even more, may be taken away, so we must examine that issue.

The Treasury Committee has not drawn any conclusions and we are still taking evidence. According to the LINK website, the most affluent area in my constituency, Helensburgh, has no cash machines with charges, but other areas of Dumbarton and the Vale of Leven contain cash machines with charges. There were no cash machines with charges until 1999, when LINK changed its proposals as a consequence of the Cruickshank report.

The Minister and his colleagues must address this public policy issue: do we want to continue with a free cash machine network, where it is available, and have charging for convenience—we would need to define "convenience"—or will we move inexorably to a cash charging environment? The Treasury Committee has not drawn any conclusions, but it is a big issue if we are examining financial inclusion and fairness.

The best advocates in the financial services industry realise that they must do something positive to ensure that trust and confidence are restored. One company wrote to me the other day to say that introducing fair and transparent practices, stopping the use of misleading terms and conditions, making fees and charges reasonable rather than their being an excuse to make excess profits, and ensuring that products are easy to understand and involve simple processes would be a start.

I shall finish with a comment from the FSA document, "Treating Customers Fairly", which was published in July last year:

> "The fair treatment of customers is central to consumers having confidence in the financial services industry".

The financial services industry is important for this country's economic well-being, but customers are important too. Let us get the right balance between customers and the financial services industry so that we can look forward to a prosperous future in which customers are treated fairly and the aspirations of individuals and families in this country can be achieved.

3.23 pm

Malcolm Bruce (Gordon) (LD): There has been a general welcome for the Bill, which was long trailed. I think that the Government will admit that it is, in a sense, overdue—they have promised it for a long time and it has finally arrived. So far, the debate has addressed a range of issues, demonstrating the concern on both sides of the House about the current credit regime and the need for legislative reform. It is not clear whether the Bill deals with a lot of the issues raised in the debate, and we will need answers to many questions on Second Reading and in Committee to clarify exactly what the Bill is designed to achieve.

Mr. Sutcliffe: That is a crucial point. Many of the issues raised by my right hon. Friend the Member for Dumbarton (Mr. McFall) fall within the remit of Departments other than the Treasury. In my contribution, I said that we must examine the whole matter, including what is being done by the FSA and Treasury Ministers. No one has said that the Bill will catch everything.

Malcolm Bruce: I am grateful to the Minister. I am not saying that that was the claim; all I am saying is that a Bill called the Consumer Credit Bill will give people expectations that the legislation may not be able to fulfil. It is in the Government's interest to address that and it is important that we clarify what it is designed to achieve.

As the hon. Member for Eddisbury (Mr. O'Brien) suggested, some of the definitions in the Bill are less than extensive. Its full effectiveness can be determined only once it is enacted and tested by experience. The same applies to compliance costs.

The Government propose to extend the existing licensing scheme and ombudsman service, in particular by introducing powers to deal with unfair relationships. That is probably the right approach, but time will tell whether it meets consumer expectations. It is 30 years since the previous relevant Act, and it is interesting to observe that at that time borrowing on credit cards, for example, amounted to £32 million, while now the sum stands at £49 billion. That is a huge change. I will be interested to discover the extent to which the Minister believes that the Bill will deal with unfair relationships in relation to credit card abuse.

I pay tribute to those in citizens advice bureaux and other advice centres who wrestle daily with the problems of people struggling with debt, and help to resolve their problems by giving them practical advice on how to deal with financial institutions and on how to reschedule, or sort out their personal debt in other ways. The citizens advice bureau that most directly covers my constituency is in Peterhead, although Aberdeen deals with some cases. We have smaller information and advice centres in rural communities, which are not involved with or funded by the CAB, including GRAIN—the Gordon rural area information network—the Turriff advice centre and the Keith advice centre. They operate on very small budgets, and many of the people who work for them are very low paid and do it out of a desire to help rather than for the money, or in some cases work as unpaid volunteers. Despite their small budgets, those centres deal with thousands of cases a year and provide real practical help. Perhaps this comment is directed more at the Scottish Executive than at the Minister's Department, but more recognition and funding should be diverted to such smaller organisations, especially when compared with the substantial amount of money that goes to the CAB. That said, I do not in any way undermine the value of the CAB work.

Several Labour Members have commented on the desire for a maximum interest rate. The Minister has made his position clear, and I broadly agree with it.

[Malcolm Bruce]

I understand why the "debt on our doorstep" campaign and others want a specific reference to that to be included in the Bill. However, having listened to both sides of the argument, it seems to me that many of the small-value credit arrangements are effectively dependent on fixed-price charging for debt collection, which is beneficial to both parties because it is clearly understood. That could fall foul of a maximum interest rate. Having said that, several Members referred to cases in which much more unscrupulous mechanisms have been used whereby people are encouraged to roll over debt on increasing rates of interest with additional charges, to the point where by no stretch of the imagination can they be described as anything other than extortionate.

From what the Minister said—and the hon. Member for Eddisbury agreed with him—we may presume, hope and believe that the unfairness test will catch that practice. The difficulty for Members who want a maximum interest rate specified in the Bill is that that presumption is not provable until it has been tested. I fear that what might happen is that organisations such as the Catholic Fund for Overseas Development will find that they cannot safely operate the kind of arrangement that has applied in the past and which they honestly believe to be mutually beneficial. Such organisations would withdraw from the market and only the criminal fraternity would take on the loans. By definition, its members are outside the reach of any Bill because they do not operate under the law. There is a debate to held about that but we need to take that serious point on board. I have no doubt that an amendment will be tabled and I have no problem with that. However, I hope that those hon. Members who are concerned will ultimately be satisfied that, if the Bill is enacted in its present form, it will quickly establish a test case, which will cover the examples that they have mentioned. I would be surprised and disappointed if the extortionate rates that have been charged in such examples could pass a fairness test. I therefore agree with the Government's approach.

The Committee that the right hon. Member for Dumbarton (Mr. McFall) chairs has been active on the issue in the past year or two. My hon. Friend the Member for North Norfolk (Norman Lamb), who serves on the Committee, has also been active and kept me apprised of much of the Committee's activity. [*Interruption.*] Indeed, my hon. Friend has kept the press apprised of that, too. That is a wise course of action for a good Member of Parliament with a small majority. I pay tribute to him for his constructive behaviour as a member of the Committee.

Focus has been placed on the practices of what might be described as the mainstream of credit—the role of the high street banks, the main financial services companies such as MBNA in Chester and so on. Nobody suggests that they are sharks or rogue traders, but they work in a lucrative market and deal with millions of people, and they are adopting practices that at least raise eyebrows. I am interested in the extent to which the Bill can tackle those practices. It is important for the Government to clarify that and to explain how practices that the Bill does not tackle could be identified. There is an expectation and a desire for the industry to put its house in order, if necessary through legislative pressure.

We all accept that there is a dynamic in credit products that we do not want to suppress. We do not want to frame legislation so restrictively that it discourages new products. The hon. Member for Rhondda (Chris Bryant) made an interesting point about unsolicited cheques, pressure to take out loans and 0 per cent. introductions. Of course, he raised legitimate concerns but some people can use such products effectively and to considerable advantage. We need to find a mechanism that warns off and protects people for whom such products are inappropriate, without killing them off for those who can benefit from them. There is a constructive policy debate to be held about how to achieve that.

Although it is clear that financial companies have induced people to take up inappropriate credit—the wrong credit instrument or a credit that they cannot afford to repay—it is comforting that some complain that they have lost £1 billion a year through the astuteness of those who have managed to use 0 per cent. introductory fees, roll them over and not pay any interest on anything for a considerable time. Of course, we all ultimately pay for that, but it is important that the process of regulation is about trying to help people to make informed decisions and prevent them from being pressured into making inappropriate decisions.

The Government could help us to adopt two or three instruments that might assist in the process. The transparency of interest rates has already been discussed. I accept the point about financial literacy but it is a basic requirement of credit to know what the interest rate is. I therefore concur with the right hon. Member for Dumbarton and the Consumers Association that one standard method of presenting interest rates is desirable and, preferably, some broad agreed procedure about how they are applied. One method of calculating them is certainly desirable so that people can make a direct comparison and know that they are comparing like with like, not apples with pears.

I would go further and say that it might be helpful for the Bank of England, the FSA or some other appropriate body to publish an annual average or a range of figures so that people can make a comparison. Perhaps there should also be a requirement that this information should be drawn to people's attention when interest rates are being offered. Along with the 0 per cent. rate, and the introduction of the bonus interest rates, there are credit card interest rates as low as 7 or 8 per cent., yet some store card rates are well over 30 per cent. With the rate of inflation at 2 per cent. and the Bank of England interest rate at 5 per cent., those represent very high rates of interest, and the differences between the available rates are substantial. People ought to be aware of the ways in which they might be able to get a cheaper rate.

Mr. Plaskitt: The hon. Gentleman is trying argue that if there were a standard APR calculation, customers could use it to make comparisons about the cost of credit. Does he accept, however, that they could not do so, because the APR is only a small part of the picture? They would have to look at the whole range of features of the deal to work out the cost. In fact, the only way in which a consumer could access a useful assessment of the cost of credit would be if a cash-based illustration

were available—not one based on APRs—but the industry is vigorously resisting the provision of such information.

Malcolm Bruce: That is a fair point. I agree that the APR is an imperfect measure that does not provide the whole answer. Nor would I suggest that we should back off from going down the route that the hon. Gentleman suggested. People need a clearer illustration of how they can make comparisons between different cards, so that they can make rational judgments.

People should also be apprised of the fact that a credit card might not be the appropriate instrument for their credit requirements. The chief executive of Barclays bank let the cat out of the bag in that regard. He was making the perfectly reasonable point—although it probably did not sound too good from his board's point of view—that there are horses for courses. A credit card is not an appropriate vehicle for long-term borrowing, yet many people are seduced by the 0 per cent. offers and the cheques and get themselves into debt. In reality, however, they could probably alleviate their problems simply by transferring the balance to an organised bank loan. After all, if the banks are prepared to offer all these different rates, they ought to be able to provide them. Yet people are not advised that these options exist unless they go to a CAB or some other useful adviser. Why should we not require a notice to be added to a credit card application to say, "Please inquire whether there is a cheaper, more appropriate way of dealing with any loan that you require over any period longer than the very short term", along with introducing a duty to give impartial advice on that. That could help the consumer.

About a year ago, I made a calculation on store cards and credit cards, just using the average costs of repayment. I did not examine the extreme rates; I just looked at the medium ones. On credit cards, the difference between the highest and lowest averages meant that consumers were paying £3 billion a year more than they needed to. The financial services industry, through its own inertia, was benefiting from that amount each year. I am not suggesting that it is improper to make a profit or that banks should not be profitable, but they are sitting back and making profits from people who are paying well over the odds and who could easily and quickly find cheaper forms of credit. We should provide those people with assistance, and I am simply making a few suggestions as to how we might do so. The Minister will find out that if the Bill—or any alternative measures introduced simultaneously—does not really do anything to address these anomalies and abuses, the people for whom this is a big problem will turn round and ask, "What was this Bill all about?"

The hon. Member for Wallasey (Angela Eagle), who has now left the Chamber, was obviously concerned about the penalty proposed in the Bill. Another penalty—perhaps the nuclear option—would be the withdrawal of the licence. Yet another would be for the lender to lose the entire repayment because the agreement was not enforceable—although that might not be a penalty if the agreement were really extortionate. I share the hon. Lady's view that the amount set for the penalty does not need to be in the Bill.

Certainly, I would be interested to see whether some different mechanism could be used. Legislation lasts for a considerable time, and the impact of the penalty could diminish. I accept, however, that individual transactions are concerned, so I guess that in a class action, or in a number of different but related actions, a company could be fined £50,000 several times over, in a cumulative hit, which might make the penalty much more significant.

Mr. Stephen O'Brien: The way in which the hon. Gentleman has raised this point suggests to me, given the interactions that we have had so far, that the Minister might want to consider matching the idea of a nuclear option, albeit with a much more sensible, confined option whereby one can close down a branch of a company where there has been a transgression, rather than exercising the much more draconian option of closing down the whole company. A £50,000 capping rate could be applied, if for some reason the Minister persuades us that that needs to remain in the Bill, per branch rather than per corporate entity. That might have a proportionate effect, depending on the scale of the damage.

Malcolm Bruce: Actually, it is possible to interpret the Bill as worded in that way, and clarification would be helpful. It would be extreme to act against a company with 200 branches and fine it £50,000 times 200. It would be right to fine the branch, or the company on its behalf, that perpetrated the offence. Certainly, the issue needs to be explored a little further.

The hon. Member for Dundee, East (Mr. Luke) asked about time orders as they affect Scotland. As I understand it, lay representation is possible in relation to time orders in England and Wales but not, apparently, in Scotland. If the Minister has not done so, I suggest that he consult the Scottish Executive, as a Sewel motion, or some simple mechanism, might allow us to bring the legal position into line. It seems to me that there is a desire for that change in Scotland, and there is no point in the Scottish Parliament having to deal with the issue separately. If the Scottish Executive are agreeable, I urge him to report back on that.

As I said at the beginning of my remarks, uncertainty about the effects of the Bill can only be resolved by practice. The hon. Member for Eddisbury has suggested, and will no doubt produce, amendments to try to tie down some of the terms of the Bill more specifically. My experience of dealing with the Office of Fair Trading, on which he and I have had a number of exchanges, is less than satisfactory in a number of cases. It does not regard itself as a consumer association but as a competition agency, which belies its title and people's expectations of its title.

If I may stray marginally, to illustrate this point, I have been exercised by a concern about estate agents and the need to license them. In my view, the OFT examined that and came up with a totally windy and weak response. There is an estate agents association, which has its own terms of reference that could have been adopted for all estate agents. That association would have acted as a consumer protection agency. The OFT concluded that it was not its job to protect the consumer, but only to determine whether there was fair competition. I am concerned that the OFT's psyche is not always what I would expect it to be. Giving it too much discretion may mean that it even disappoints the

[Malcolm Bruce]

Minister in terms of what it is required to do. Certainly, some clarification and debate in Committee would be necessary, to put it no higher than that.

On my final concern, I accept that the compliance costs as stated in the Bill do not appear unduly large in relation to the total value of the industry. Nor do I have any special brief on behalf of the companies which, in most cases, would probably have little difficulty in meeting them. Nevertheless, that can only be an estimate, as there are too many uncertainties. I am not suggesting that the Department has not made its best estimate, but in many cases, the courts will decide, the matter will be referred to the ombudsman, or information may be required. We do not yet know the environment in which information will be required but we hope that the ombudsman and the spirit of the law will reduce court involvement and that many of the cases will be resolved long before they come to court. Surely that will be one of the great benefits of the legislation if it works properly.

Until we know how the balance works, we cannot be sure of the compliance costs. I urge the Government to review the arrangements in practice, to establish whether all the mechanisms are working cost-effectively, efficiently and not in too burdensome a way. Given that European legislation is emerging in parallel with the Bill, I also urge the Government to ensure that the two are complementary and that there is no duplication. We do not want costs to be doubled unnecessarily.

Although we all like to make a big issue of concerns about regulation for political purposes, I trust that the House in general accepts that legislation should not involve unreasonable compliance costs and should not be unnecessarily bureaucratic, but should be fit for the purpose and pitched at a level that will enable it to deliver the end result; and that we should review it to establish whether we have overdone it, or gold-plated it to a greater or lesser degree. In view of the uncertainties in the Bill, it would be helpful if the Government committed themselves to reviewing it, perhaps publishing a report in four or five years.

Having said all that, I will end by saying that I welcome the Bill. The general consultation has clearly produced a good deal of consensus. What the Bill will deliver is not yet entirely clear—I hope that the Minister's reply and, subsequently, the Committee stage and Third Reading will provide further elucidation—but I hope that it will genuinely deliver more protection for the consumer, a better-informed public, and an industry that, while continuing to innovate and to develop new products, remains conscious of its social responsibility and general duty to be fair. I hope that we will end up with a vibrant credit industry which, nevertheless, leaves people less prone to the dire debt into which some have got themselves.

3.46 pm

Mr. Peter Pike (Burnley) (Lab): I am glad to have the opportunity to speak—but observing how many others still wish to do so, I have put a red line through much of what I was going to say.

I support the Bill, and most of my speech will be devoted to explaining why I believe it is necessary. It is very much in line with the Government's policy of reducing the number of children in poverty. As has been pointed out several times today, the poorest section of the community is ripped off most by extortionate interest rates and hidden charges. The section of the community that can least afford it pays the highest penalty and suffers the most. The Bill attempts to tackle that.

Which? and the Consumers Association also welcome the Bill, but want it to go a bit further. The association has expressed concern about annual percentage rates, which a number of Members have mentioned, and about irresponsible lending. How can lenders be responsible if they do not take into account the full credit history of those to whom they lend, and do not know what debts and other problems they may already have?

The Consumers Association has referred to

"sneaky tricks and hidden charges",

which have also been mentioned today. My right hon. Friend the Member for Dumbarton (Mr. McFall) mentioned charges for late payment and the exceeding of credit limits, which tend to take no account of whether the limit has been exceeded by only £1, or for only one day. Such charges can be totally unfair, and they are much more prevalent than we realise. Last year one in four people with credit cards incurred a penalty charge at some stage, and *Which?* estimates that the credit card companies took £427 million as a result. That is a major problem.

As my hon. Friend the Member for Rhondda (Chris Bryant) pointed out, every time we open our post at home, we are bombarded with letters offering us money, and even cheques. On the television and in the press, such organisations are constantly throwing money at people. But they do so indiscriminately, throwing it at those who cannot afford to borrow it, and without taking into account their particular situation.

Mention has been made of the NACAB, to which I shall refer extensively. Burnley District Citizens Advice Service provides a very good debt service. There is only one problem with it: there is too big a queue of people waiting to see its advisers. So that the advisers can do their job properly, analyse people's circumstances and give good advice, such people unfortunately have to wait, yet they might desperately need such information, and quickly. None the less, the Burnley advice centre does its best—indeed, it does an excellent job.

According to the NACAB report "In too Deep", which was published in May 2003, in the five years to 2003, CABs reported a 24 per cent. increase in the number of new debt inquiries and were dealing with more than 1 million a year. Over the same period, inquiries about consumer credit debt rose by 47 per cent. According to a NACAB survey of those seeking advice about debt problems, about three quarters of all clients were on incomes lower than the national average. Almost a third said that they were claiming income support or income-related jobseeker's allowance, and 13 per cent. said that their wages were being topped up by tax credits. Those percentages are much higher than those for the population as a whole. These findings suggest that people on low incomes and benefits find it difficult to budget without accessing credit, and that similarly, they struggle to repay such debts. The

Government are committed to trying to help such people—the poorest section of the community—who are currently at greatest risk.

A Lancashire CAB told the "In too Deep" report that one of its lone parent clients in receipt of income support owed more than £12,000 to four creditors. Bankruptcy had been discussed with the client, but she could not afford to raise the £250 deposit fee for the Insolvency Service. The CAB negotiated token repayments of £1 a month to her creditors, but it would have taken her more than 250 years to repay the total debt. The result was unpleasant calls from debt collection agencies and a great deal of distress to the client.

A 2001 survey of CAB debt clients showed that each had an average of five and a half debts, totalling more than £10,700 per household. The debt-to-income ratio showed that the average debt was nearly 14 times the level of income. Of course, total debt includes elements such as council tax debts and money owed to catalogues; I am not suggesting that it consists entirely of credit card debt.

The provision of credit to low-income consumers is on the increase, and given that their circumstances increase the need for such credit, it can prove very costly. A CAB in the north-west told those who compiled a NACAB report of December 2000, entitled "Daylight Robbery", of a new practice used by a mail order company. It appointed company representatives to take orders and collect payments, adding an interest charge of 90.5 per cent. APR for that "extra service" in doing so. In one case, a CAB client who purchased a suite through the catalogue in question paid £15 a week for 40 weeks. She thought that that constituted full settlement, but was then told that she still owed what was a very substantial interest charge.

High-cost products can also be a problem. In the "Daylight Robbery" report, a Lancashire CAB tells of a client who had replacement windows installed at a cost of £5,150. After paying the deposit of £1,150, she was persuaded by the company in question to take out a loan, which it arranged. The agreement required her to pay £96.48 a month over 10 years. That comes to £11,577.60. The client was unaware that the loan would be over such a long period, and after three years she realised that she could get a better deal elsewhere and asked for a settlement figure. The figure quoted was £6,323—£1,173 more than she had borrowed in the first instance.

Although there are cooling-off periods, the reality is very different, especially when high-pressure selling techniques are applied to people in their own homes when they are already under pressure. Clients have their problems aired on TV and elsewhere, and there is no doubt about the reality of the problem.

It is not only high interest rates that can trap someone in debt. People with credit cards with low credit limits can find that the addition of administration charges can soon make a debt spiral out of control. The CAB report refers to a Lancashire client who had a debt on his credit card of just £200. He fell ill, had to stop work and claimed incapacity benefit. The credit card company would not accept the offer of repayment that the client made, and continued to add interest and late payment charges. By the time the credit card company finally agreed to accept his offer and suspend the interest, the late payment charges had increased the £200 debt on the card by 150 per cent. That is the nonsense that many people face.

Finally, I want to deal with consolidations. They are advertised on the television and Carole Vorderman sometimes comes on the screen in the mornings. People know her and her expertise in mathematics from her role in "Countdown", so they listen and believe that she offers a way forward. They often do not realise what the small print says—that taking a consolidation loan might mean securing it with their homes. If people cannot pay in the first instance, and then they cannot pay for the new consolidated loan either, they put their homes at risk as well. A consolidation may be appropriate in some cases, but not in others. People must think carefully before opting for one.

I spoke to a credit card company at the weekend and heard about offers to transfer cards to zero rate and so on. While I was talking, the woman asked me whether I realised that 0 per cent. up to April is not as good as 3.9 per cent. for the lifetime of the loan. Depending on when and how one wants to pay, that may well be true, but people do not look carefully enough at the conditions.

I could say a lot more about such issues, but I shall finish by citing a letter from a constituent that I received in November. I have written to the two companies named in the correspondence, but I will not name them here today. I wrote on 10 December, but I have not yet received the courtesy of a response of any kind. I shall give them a little bit longer. My constituent wrote:

"A few years ago I took credit with the . . . company so I could have some repairs done to my car. The original amount was for around £470. I got into some financial trouble after I separated from my wife and handed all my debts to . . . debt management company, who have been handling my debts for about four years".

He now owes £1,174—more than he started off with, after paying for several years. The company has not, as I said, had the courtesy to reply to me. It is that type of rip-off exercise that I hope the Bill will deal with.

I have great respect for the Minister, who has admitted that the Bill will not tackle all the problems. That is true, and we need the Government to take further action. *Which?* said that it would be good to go further, and I agree. I hope that the Minister will not soften the Bill in Committee. If anything, he should make it tougher, which would do a great service to the many people in this country who are being ripped off.

3.59 pm

Angela Watkinson (Upminster) (Con): This will be a largely consensual debate, because each and every one of us has had constituency cases through which we have become familiar with the suffering that unmanageable debt can cause. I welcome the new legislation, which is aimed at providing a fair deal for customers. It is necessary because household debt broke through the £1 trillion barrier in July last year and is predicted to rise to £1.1 trillion this year. It took 600 years of banking history for household debt to reach £0.5 trillion, and it has doubled, while the savings ratio has halved, since 1997. Interestingly, in an intervention in the speech by the right hon. Member for Dumbarton (Mr. McFall), the Minister said that household wealth had doubled in that time, and that illustrates the declining propensity to save.

[Angela Watkinson]

As many as one in 20 households now pay up to a quarter of their income in consumer credit repayments. Many families and individuals have combined mortgage and credit card debt that will become unmanageable if interest rates rise again—there were five increases last year. People who overstretch themselves leave no margin for an increase in repayments and are heading for trouble. Recoveries by bailiffs are increasing dramatically, and debt advice centres are facing unprecedented demands for help. Behind each of those examples are stories of misery for the families involved.

Greater transparency and simplicity is needed in the consumer credit and loans industry, but it is important that our new measures have a positive impact on business as well as benefiting borrowers. I shall concentrate my remarks on the changing social attitudes to debt. The explanatory notes attached to the Bill refer to the Consumer Credit Act 1974 and the term "hire purchase". We do not hear that much these days, but I recall when it was first introduced. It was talked of in shocked whispers. The word "hire" in that phrase illustrates the attitude to credit then, as it implied that people did not own the item that they had borrowed money on until they had made the last repayment. Until then, it was only on hire and still belonged to the company that had provided the loan.

Attitudes have changed completely over the years. It is now regarded as smart to use other people's money, especially when it comes to credit cards. We have heard several hon. Members describe how interest payments can be avoided by changing debts from one credit card company to another. Cash has also become much less popular. Money-back guarantees on faulty purchases are also attached to credit cards, which make them attractive. Many people have multiple cards. There was only one type in 1971, and now more than 1,300 are available. The companies vie for customers by making the terms and conditions seem more and more attractive.

Store cards often offer 10 per cent. off as an incentive, but the issuing procedures for store cards are especially casual. Some constituents of mine moved house to a new area, and six months later, applied for credit to buy a new car. To their astonishment, they found that their credit rating was not good, even though they did not owe any other money. The people who had moved into my constituents' old house had picked up some junk mail with their names on and used it to apply for a range of store cards, run up debts on all of them and failed to pay. The assessment procedures for those store cards must have been very lax. Stores should be more circumspect when issuing cards, to ensure that they are issuing them to the right people.

Some stores must have had bad experiences. I recently went to buy a small item of furniture and the store staff started to ask me for all sorts of information. I said that I did not want credit, nor did I want the item delivered, because it would fit in my car. However, they still wanted to know my name and address, how old I was and what I had for breakfast! I was not willing to give that information, so they lost a sale. However, that situation might have arisen because the store had had experience of bad customers.

People buy on credit what they cannot afford. They often buy poor-quality goods to minimise the size of the loan. The goods do not last, and often do not outlive the term of the loan. People remain in debt, with nothing to show for it. I often wonder about the frequent television advertisements for sofas with nothing to pay for five years. Anyone with several young children will know what a sofa looks like after five years. People must be in perpetual debt, because at the end of the five years they will need another new sofa.

It is also popular to add the cost of a holiday or a new car to a mortgage. Have now, pay later. But people pay much more when they pay later. I welcome allowing customers the right to challenge unfair lending practices, and improving the regulation of consumer credit businesses through measures to drive out rogue money lenders who charge extortionate rates of interest.

Every now and again, I receive a batch of letters from secondary school pupils in my constituency, arising from their citizenship lessons. In the main, they are full of idealistic notions. Sometimes the pupils want to know what I think, but more often they want to tell me what they think about how the world can be put to rights and how everything can be improved. They have some good ideas—if only money were unlimited—but they obviously have no idea at all about money or the economy, about where money comes from and how it circulates. I endorse the comments of my hon. Friend the Member for Eddisbury (Mr. O'Brien) on the establishment of links between banks and building societies and the teaching of citizenship in schools, so that students can learn that everything has to be paid for, and that everything comes originally from taxation in one form or another.

People need not just to know but to understand the total cost of a loan over the whole repayment period—not simply the purchase price—because it may not be the bargain that they thought. They need to know the cash price, plus interest, plus any default charges. If all that information is available, they can take full responsibility for their decision. They need continuous information on the progress of their loan payments. That is in the best interests not only of the borrower but of the lender. We must not ignore the rights of lenders. They are sometimes the victims of bad payers and have to write off those debts. Such information would prevent debt escalation, increase the likelihood of payment and take into consideration unforeseen circumstances, such as redundancy, illness or accident. Lenders need to distinguish between people who cannot pay and people who will not pay, and to make arrangements for those who want to pay but are in temporary difficulties. They could either increase the term of the loan or reduce the payments.

Debt counselling is a growth industry, as several Members have said. Important as it is, none the less it is shutting the gate after the horse has bolted. As important as debt counselling is budget management advice. If that were available, it would help people to avoid debt in the first place. Such advice should include how to make the best use of a modest income and remain solvent, and how to deal with aggressive doorstep salesmen. I was pleased that the Minister said that that point was under consideration.

Some people respond to newspaper adverts about goods that they think they might want, although the cost is never clear and there is an inquiry tick-box on the advert. An aggressive salesman calls and only the most resistant and robust customer will be able to get that man out of the door without having signed up to buy something, possibly at a cost that far exceeds what they would have paid elsewhere. People need to know how to assess whether a bargain really is a bargain, and how to calculate the full cost as opposed to the cash price.

Prevention is better than cure. Helping people to avoid debt in the first place is much easier than trying to resolve the problem afterwards. The Micawber principle still holds good. Borrowing up to one's repayment limit, with no cushion against the rainy day that always turns up when it is least convenient, is a risky way to live.

Over recent decades, things have changed dramatically. Waiting for something until one has saved up for it is no longer popular. People want things now—today—whether or not they can afford them. Somehow, they think that tomorrow will take care of itself. The result is that personal debt in Britain is increasing by £1 million every four minutes, as my hon. Friend the Member for Bexhill and Battle (Gregory Barker) pointed out. Unfortunately, for many people who are just managing to service their outstanding loans at current interest rates, another rise could just shift them into the unmanageable category, and the downward spiral of defaulting on payments and accelerating debt. I welcome the provision of more information, and information that is easier to understand, for borrowers.

I should like education at school and beyond to go much further, to promote real understanding of how money circulates in the economy between income, taxation, spending, borrowing and saving. For a healthy economy and a stable society, we need a balanced approach to consumer credit that gives lenders and borrowers a fair deal, and I wish the Bill fair weather in Committee.

4.9 pm

Mr. John Battle (Leeds, West) (Lab): I, too, welcome this long overdue Bill and compliment the Minister for investing his energy and time in getting it this far. I say to the hon. Member for Eddisbury (Mr. O'Brien) and other hon. Members that the whole House understands the need for action. If I were to make only one jibe, I would say that we do not want to get the Bill swiftly through Parliament because of speculative election deadlines. I am anxious that desperate people who are locked into long-term unsustainable debt should not wait a moment longer for us to take action.

The Bill provides a good framework. It is time to review and bring up to date the Consumer Credit Act 1974 because the markets have moved on. I shall make my next point briefly because there should be a decent discussion about it in Committee and on Report: although the Bill provides a good framework, there could be some tightening up of the nuts and bolts at the corners and the joints. We must ensure that the Bill provides greater protection for consumers who borrow money, not least the 10 per cent. of consumers in Britain who use home credit at some time in their lives—in other words, they pay back their debt through weekly doorstep payments. I want to focus on strengthening protection for low-income borrowers who are at risk from high-cost credit lenders.

We rightly hear much talk about people getting into difficulties with credit cards and the high rates of interest charged by the high street banks, but I want to focus on the 7.9 million people who do not have a bank account or credit card and turn to doorstep lenders and television and newspaper adverts for cash because they have no alternative. Such people in practice end up paying the most to borrow money, which is sometimes used to provide their daily basics. Unjustifiable charging locks the poorest in our society into deep and long-term debt because they are often left with no alternative if they are to survive from week to week.

Experts in the heady world of economics refer to financial shocks, which are unexpected events. Such events in the everyday world could include the arrival of a new baby because of the need for a pram or carry cot and provisions for that child. If a relationship breaks down, people might need to set up a new home and thus buy a bed, sofa, cooker, curtains and carpets. Youngsters changing schools can cause financial shock because they require new gear and clothing to go there.

At first sight, and under such pressure, a person might think that a payment of £4.99 a week is a manageable offer if that is what is in front of them, but the weekly repayments from home loan companies, credit stores and cash converter businesses involve a huge rack-up of compounding annual percentage and penalty charge rates that can hardly be noticed in the small print. The problem is that people can agree to pay back £4.99 over 156 weeks, but with some firms they end up paying back £432.38. People who borrow £100 cash from some companies will be charged £191.76. Another company about which I heard in my surgery lent someone £100, but they had to pay back £220.24, which is a percentage mark up of 440 per cent. The doorstep lending system is locking many of the poorest people into long-term poverty, if not resulting in the repossession of the little property that they have. Yes, such lending is legal, but it usually involves incredibly high interest rates.

I am grateful for the work of Andrew Hutchinson, a campaigning journalist on the *Yorkshire Evening Post*, who has talked to people about the situation. It is incredibly difficult for people to come forward and spell out their circumstances, not least because to do so can jeopardise their chances of future borrowing. High-cost borrowing is driving people into debt and despair.

I congratulate Church Action on Poverty on its campaign to end doorstep debt. It has spelt out the need for action. I have been asked whether people who borrow from doorstep lenders are incredibly naïve, simply trying it on or desperate. My answer is that they are all of those things in different degrees. Some people are trying it on, and lenders should be pressed to check rather better whether people have the capacity to repay, rather than simply saying, "We have a check-free approach: here's the money". However, the usual reason that turns people to the home credit market is desperation.

To protect low-income borrowers from high-cost credit, I am still minded to support those who argue for a ceiling on interest rates and charges, because so often it is the compounding of interest and charges that drives people into long-term, unsustainable debt. It can be compounded with roll-over loans that translate a few hundred pounds into thousands, if not the loss of one's house, as we have seen in some recent high-profile cases.

[Mr. John Battle]

In the depression years, a cap was introduced. The Moneylenders Act 1927 provided that a rate of more than 48 per cent. was prima facie excessive and the transaction was therefore deemed harsh and unconscionable. In 1974, the Conservatives' Consumer Credit Act dropped that ceiling. I press the Minister and the House to reconsider putting the ceiling back. There are ceilings on interest rates in many other European countries and many states of the United States of America. Like consumer protection groups, I believe that a cap would protect the poorest from excessive credit charges, especially when people have no alternative to high-cost loans.

I welcome the Minister's commitment to review the need for a cap, but if his review comes up with the need for one, how can it be introduced if we have not used this opportunity of legislation to keep open the option of introducing one? Can we not build into the Bill the option of secondary legislation? A statutory instrument could be subject to affirmative resolution so that the House would be consulted and vote on it, but at least we would have the means to introduce a ceiling. That might act as a warning to those who overcharge.

Andrew Selous: What does the hon. Gentleman say to the counter-argument that a cap on the interest rate might end up increasing the total interest repayable because the term could simply be extended? Should the cap not be on the total amount of interest repayable, rather than on the rate?

Mr. Battle: I said that I was minded to support a cap on interest rates quite deliberately. I do not take a dogmatic attitude to this. We must look at the arithmetic in detail. The hon. Member for Gordon (Malcolm Bruce) made the point that it could all hinge on what we mean by "unfair". That is right. We shall need to clarify in Committee and on Report what "unfair" might mean. If "unfair" is to replace the word "extortionate" in the 1974 Act, everything will hinge on what that means.

Will my hon. Friend the Minister clarify the extent of the powers to control the cost of credit through the licensing system? I want to know whether the add-ons for missing payments, for example, would come under the regulatory powers. To put all that together would cast a different light on my proposition.

The Bill makes a shift from "extortionate" in the 1974 Act to "unfair", but in practice it could mean that everyone has to go to court to sort out what "unfair" is. I cannot believe that that is how the matter should be approached.

Can we not give the financial services ombudsman the power to rule that a credit relationship is unfair so that everyone does not have to go to court? That would bypass the need for individuals to go through that procedure. Why cannot the Financial Ombudsman Service determine questions of unfairness?

Clause 15 shifts the power back in favour of the lender and allows the courts to grant creditors the power to enforce agreements, even when the lender has not provided the information in the first place. That goes against the recommendations of my right hon. Friend the Member for Dumbarton (Mr. McFall). I would therefore be grateful for an assurance that clause 15 will not let lenders off the hook concerning the provision of information. Similarly, people bypass provisions on cold-calling. They are not allowed to sell money on the doorstep, but they can give people a hamper or a voucher. That is a con and it should be dealt with in the Bill. The hon. Member for Upminster (Angela Watkinson) said that there must be a balance between the borrower and the lender. I am not out to close the market down, because people need to borrow money. The key word, however, is "fairness". We must spell out what a fair test is so that it works in practice. I passionately believe that we should not drive more and more people under.

I welcome the framework, but we could tighten the structure slightly. We must make some definitions clearer and make sure that the Bill is soon on the statute book, not least because people enduring unsustainable debts, who pay the highest price of all to borrow money for the basics, should not be forced to live in financial misery a single day longer.

4.21 pm

Gregory Barker (Bexhill and Battle) (Con): Today presents a valuable and overdue opportunity to reassess the increasing difficulties in the consumer credit industry. I welcome the Minister's consensual and constructive approach, but it is extremely regrettable that the Secretary of State was not here to open our debate. The DTI hardly has a huge legislative burden this Session, and although the Bill is not partisan or contentious, it is important.

As we have heard, the consumer credit environment has changed drastically since the introduction of the Consumer Credit Act 1974. In 1971, there was a single credit card, but since then, spending on plastic has taken off at a staggering pace, gathering speed with the introduction of our flexible friend in 1972 and the subsequent arrival of the debit card in 1987. In the past 30 years, as my hon. Friend the Member for Upminster (Angela Watkinson) said, there has been a cultural revolution in the provision and take-up of credit. I do not want to turn the clock back or reminisce about a golden era, but it is vital that a 21st-century environment should have a 21st-century legislative framework to govern it, which is why I welcome the Bill.

The battle to win customers has inevitably resulted in the expansion of a competitive market. Today, more than 39 million Britons have a debit card, and 30 million have credit cards. Adding store charge cards to the equation, we have a staggering 130 million cards of various descriptions in circulation, all contributing to the UK's £180 billion credit card and personal loan industry. The existence of such consumer credit opportunities has made payment significantly easier for many individuals, but we cannot ignore the simple fact that when things go wrong financially credit can quickly become an inflexible financial nightmare. No matter how easy repayments seem and how attractive the advertisements appear, dabbling in the personal loan and credit card industry brings the possibility of severe financial risk and social repercussions.

The situation is perhaps best summarised by Diane Gaston, the head of communications at the National Consumer Council, who warned consumers to beware

credit advertising deals that are often not as cheap as they first appear. The obvious temptation and notable attraction of low interest rates and easy access to loans should always be measured against consumers' ability to pay off debts if things go wrong in the long term, either through unemployment or ill health. Some responsibility can be laid at the door of consumers, but banks, building societies and other credit companies should be prepared to lend responsibly and resist bombarding consumers with attractive credit deals that are frequently more complex and economically more difficult than consumers imagine. We have heard vivid descriptions of such cases today.

Such considerations must also be balanced alongside the economic policies of the Government, which have clearly inhibited the ability of consumers to save and the incentive for them to do so. Findings show that the amount of money saved has fallen by nearly half since Labour came to power. The massive fall in the savings ratio has helped fuel the present consumer boom and bolster the economy, but it is storing up real problems for future generations.

Mr. Plaskitt: Does the hon. Gentleman accept that the savings ratio in this country is strongly geared to the housing market, and that on the two occasions under a Conservative Government when there was a house price boom, the savings ratio fell to levels lower than it is today?

Gregory Barker: There is a grain of truth in what the hon. Gentleman says, and look what happened. If he is arguing that the result will be a recession and another house price collapse like we saw in the early 1990s, my constituents will take that warning from him. I am staggered that anybody could stand up in the House and praise the collapse of the savings ratio. For anybody who is economically literate, it must be a matter of grave concern that people are spending more and more and saving less and less. Whatever asset price inflation has been, the percentage saved against those assets is declining. The hon. Gentleman and his Government who support that culture are storing up problems for future generations.

As hon. Members in the Chamber may know, for some time Consumer Credit Counselling Services has been lobbying for changes, requesting measures that will allow consumers to enter into credit agreements in a far more informed way than they have done to date. We must not ignore individual responsibility, but we cannot expect everyone who enters into a credit transaction to be an expert on all parts of financial accounting relevant to their agreement. As many of us are aware, financial regulations and credit agreements are often complex transactions requiring much time and effort to be invested in understanding them, to ensure maximum benefit for borrowers.

Of course, consumers must make themselves aware of the issues likely to arise, but we should not expect the average person to be a financial expert capable of understanding the frequently confusing and endless small print at the bottom of documents. We must realise that the worst credit arrangements are often taken up by those least able to understand the small print and those who, with a pressing need for credit, are not in a position to shop around. However, it is important that consumers take some responsibility for their financial decisions, so I support measures that encourage consumers to expand their financial knowledge. Personal responsibility cannot and should not be shirked, but for the most vulnerable and least fortunate their circumstances often mean that financial decisions are very difficult and are made quickly and under enormous pressure.

The issue needs to be addressed by both firms and consumers. I applaud the inclusion of clauses requiring creditors to provide people entering into credit arrangements with appropriate financial information. As other hon. Members have said during the debate, we need to ensure in Committee that the Bill enforces clear, like-for-like comparisons. Firms and consumers have a mutual interest in the consumer credit market working more efficiently, which requires confidence and ability to be developed in all parties. I welcome measures by some private and public sector bodies that have been working consistently towards such objectives. I am further encouraged by attempts to establish a national strategy in the Bill that will place legal obligations on parties to provide access to information, raising financial awareness and competence among consumers and businesses.

What impact will the Bill have on financial service businesses? It is our duty as representatives of our constituents to ensure that we legislate for the industry in a manner that provides sufficient safeguards and protection for consumers, especially the most vulnerable. Simultaneously, however, we must also seek to maintain a delicate equilibrium between adequate consumer support and a strategy that does not overburden business without obvious benefit to the consumer.

I draw hon. Members' attention to a point made by British Chambers of Commerce. Although it has strongly supported moves to limit unfair practices in the consumer credit market, it has warned that businesses should not be subject to over-burdensome legislation that has no positive effect. I am sure that my hon. Friends agree that there is little to be gained by imposing unnecessary regulations on an industry without any benefit to consumers. It is therefore imperative to recognise that although the Consumer Credit Act 1974 has served some consumers well for many years, it has little to do with the new consumer credit realities of today.

The progression of time, the varying needs and demands of consumers and the advancing pace of the credit market require the reconsideration and reassessment of present consumer credit legislation. Such efforts will ensure that we implement the structure best able to offer the necessary and appropriate levels of protection to both companies and, most importantly, consumers.

A similar sentiment is apparent in the data collected by the consumer magazine *Which?*, which regularly publishes reports relating to consumer issues. Last week, it released a critical report on the consumer credit industry highlighting existing unacceptable practices, which range from high penalty charges issued on late payments to the hard selling of insurance polices, all of which involves targeting vulnerable consumers up and down the country.

[Gregory Barker]

Importantly, *Which?* has also responded favourably to the announcement of plans to reform the existing legislation by asserting, as we have recognised today, that the 1974 Act is

"desperately in need of an overhaul",

and that

"transparent information and products will create a truly competitive market".

I shall briefly return to spiralling levels of household debt. Although I have already outlined my support for measures to update legislation that is ill suited to our current credit climate, my support for the Bill is strengthened by my concern about spiralling levels of household debt. Although the Government inherited a history of household debt—as others have said, it took some 600 years to amass—it has doubled in this Labour Government's lifetime to more than £1 trillion.

Chris Bryant: Several hon. Members have raised, to use the hon. Gentleman's words, "spiralling household debt". In fact, because interest rates are at their lowest level for the past 30 years, the proportion of household income that people spend on debt has fallen over the past four years, so they have been able to pay those bills.

Gregory Barker: The hon. Gentleman makes an interesting point, but he knows that a low rise in interest rates would have a disproportionately high effect on household budgets. If interest rates had increased by 2 per cent. 10 or 12 years ago, that increase would have been easily accommodated in household budgets. If interest rates were to rise by 2 per cent. now, however, it would have a huge effect on household budgets, because people budget for very low interest rates. A small movement in interest rates could have a devastating effect, which we would all see in our surgeries. There is no way to escape the fact that spiralling household debt in the UK is a worrying issue.

In one of its reports, Grant Thornton states:

"Consumer debt is at a historical high, having broken the trillion pound mark, and now amounts to more than the whole external debt of Africa and South America combined ... Contributing to this still-growing debt mountain is the fact that UK consumers now have a heady total of more than 66 million credit cards at their fingertips—a worrying five times more than the European average".

It is not feasible for Labour Members to pretend that there is not a problem.

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Is the hon. Gentleman honest enough to admit that his prescription means that if the Conservative party were ever to gain power, it would freeze all new mortgages and no one would be able to borrow money to buy a house?

Gregory Barker: I am afraid that that is a frivolous intervention. The Bill has nothing to do with the Conservatives—it is a Government Bill that we are supporting and trying to improve. Making frivolous points like that does not advance the argument very far.

US credit consumers receive notably better protection than their British counterparts. On the other side of the Atlantic, consumers have the Truth in Lending Act, the Equal Credit Opportunity Act and the protection of the Unfair Debt Collection Act, ensuring that the consumer credit playing field is significantly fairer to all participants. The Fair Credit Billing Act has also done much to enable errors associated with credit arrangements to be investigated and swiftly put right.

Examining the relationship from the perspective of the lender in the USA, there is a clearly defined duty requiring lenders to "know their customer" by recognising the consumer's credit needs and requirements and matching them with appropriate credit services. I was struck by the moving story told by the right hon. Member for Dumbarton (Mr. McFall). Had the lending institution that he mentioned known its customers, one would hope that it would not have provided credit in a way that produced such a great deal of misery for his constituents.

Some US states have progressed even further, demanding that legal action be taken against credit card companies who have, through irresponsible methods of lending, trapped customers into a spiral of escalating debt. While America has responded to match an evolving credit landscape with improvements and developments in legislation, the British consumer has been left with the Consumer Credit Act 1974—legislation that simply does not reflect the debt reality of Britain today.

Such concerns about the problem of indebtedness were recently acknowledged by the Bank of England in its financial stability review. It notes in its studies of the potential long-term financial outlook for this nation the risks that personal debt may pose to the macro-economic stability of this nation, and urges that the seriousness of that statistic be appreciated. Although I am cautious about how far the Bill will be able to resolve many of the issues of personal indebtedness, I remain supportive of the steps that it will take in moving towards making that a more realistic possibility.

I have been lobbied—as, I am sure, have many hon. Members—by several interest groups and people in my constituency. I was particularly struck by the e-mail that I received from Mr. Ian Clark on behalf of the diocese of Chichester, which covers Sussex and includes my constituency. He says:

"On behalf of the Diocese of Chichester, the church applauds the improvements that the Bill proposes to the regulation of consumer credit in this country—the current legislation is over 30 years old and clearly in need of significant improvement."

He points out:

"The UK has the highest levels of consumer debt in Europe—relative to incomes it is higher even than the well-known debt problems in the USA. Our churches have to deal on a daily basis with the results of crippling debt".

He remarks that MPs too will regularly see in our surgeries the problems that it throws up, and continues:

"The results are not just personal financial ruin, but health and psychological problems, homelessness and family breakdown.

My churches believe that the Bill needs to be strengthened even further in a few key areas to more adequately protect low-income borrowers from high-cost credit and predatory practices. They note that the consumer credit industry has been investigated by the OFT and recently referred to the Competition Commission. They also note that the Consumers' Association's recent Which? report highlighted many of the unfair practices"

in its report, "Sneaky Tricks and Hidden Charges".

Mr. Clark made a particular request that we consider certain amendments in Committee, the first of which is:

"To give the power for the Government to introduce maximum levels of interest and charges if this proves necessary in future—at the moment many poor debtors suffer scandalously high marginal APR percentages and unreasonable . . . charges".

Several Labour Members expressed interest in that today, and it will bear consideration in Committee. Such an important issue needs to be addressed in primary legislation.

The next proposed amendment is:

"To introduce an affordability test that will reduce irresponsible lending by some . . . finance companies—see Clause 19."

The next amendment reads:

"To improve the OFT's regulatory licensing powers over lenders and intermediaries—see clause 38, including fines that are reasonable in light of the severity of offence—similar to the FSA model, not limited to £50,000".

I share that concern and we shall test that matter, too, in Committee.

Another suggested amendment proposes that clause 15 should require lenders to provide better and more prominent information to borrowers in line with the recommendation of the Treasury Committee. The clause does not currently require lenders to provide comprehensive and clear information.The diocese also suggests that the use of time orders by the courts should be encouraged through clarifying sections 129, 130 and 136 of the 1974 Act.

We cannot escape the fact that legislation is needed to keep pace with developments in the consumer credit industry. We need to do more to protect the most vulnerable in society from aggressively marketed and unscrupulous lenders. The picture of spiralling household debt that I have described appears throughout the nation, affecting all regions and reflected in the entire spectrum of society. The problems associated with consumer credit have created an untenable financial position that requires urgent attention. Legislation must meet the realities of the consumer credit market.

The Bill is welcome but far from perfect and requires proper scrutiny and improvement in Committee. However, I support the provisions that are aimed at creating a more favourable balance for the consumer, establishing a competitive environment, removing rogue traders while inspiring consumer confidence in the credit market and ensuring a more promising credit landscape in the future.

4.41 pm

Ross Cranston (Dudley, North) (Lab): I welcome the Bill, which must be viewed in the wider context of "Promoting Financial Inclusion", which the Treasury published as part of the pre-Budget report, and the strategy on over-indebtedness. Both documents emphasised the role that credit unions can play. However, it is high time for a review. I accept and welcome the fact that we have a vibrant credit industry but there are casualties to whom we must give attention.

First, I welcome the information provisions. Parts of the industry, such as the Finance and Leasing Association, have criticised, for example, the warnings, the notice of arrears and the notice and information provisions on default. However, I believe that they constitute a proportionate response.

Secondly, I welcome the changes in the licensing provisions. From the publication of the first edition of Cranston's "Consumers and the Law" in 1979, I have criticised those provisions on the basis that they were the nuclear option. One had to withdraw the licence, which was not a practical step. The Bill contains a graduated response in the detailed restrictions that can be imposed and the civil penalties. However, I accept that the civil penalty of £50,000 should be alterable by statutory instrument.

The licensing provisions are important in the context of shark lending. The citizens advice bureau in Dudley has given me a list of the intimidating behaviour of some rogue lenders that includes bullying, telephoning debtors at work and at relatives' houses, telephoning at all hours of the day and night, claiming that goods can be repossessed when they cannot because the debtor has made payments beyond the limit that the legislation prescribes, and saying that clients are liable for the debts of others such as close relations.

However, the problem is not confined to what I have just described. As my right hon. Friend the Member for Dumbarton (Mr. McFall) pointed out, the big banks also have a responsibility. Let me give one example from my constituency. A bank lent a 71-year-old lady, who is on pension credit, £1,700. Her monthly income is just under £490 and she has to pay £418 a month. The result is penury.

Much depends on enforcement. Tomorrow, I shall visit the west midlands anti-loan shark pilot, which the Department of Trade and Industry set up. I commend that initiative. I have already been in correspondence with Tony Quigley and his team. They have identified one lender in the west midlands region that charges an annual percentage rate of between 8,000 and 10,000 per cent., with hundreds of clients. The team has already done good work in getting what are in effect injunctions against some lenders. They say that their hand would be strengthened if they had a power of arrest for illegal moneylending on the basis that if the perpetrators were arrested, clients and victims would come forward.

Thirdly, I want to deal with the unfairness provisions. The hon. Member for Eddisbury (Mr. O'Brien) made a good point when he said that we need more definition by the time the Bill reaches Committee. The old moneylending provision involving the presumptive 48 per cent. unfair interest rate is no longer appropriate. Unfairness itself is not an objectionable test; it operates in the context of the Unfair Terms in Consumer Contracts Regulations 1999. The regulations, however, contain a grey list that identifies what might be unfair. There is a good argument for saying that unfairness should be specified to a greater extent; otherwise, as my right hon. Friend the Member for Leeds, West (Mr. Battle) said, every district judge in the country could come up with a different decision, resulting in cases going up to the Court of Appeal. The Government should specify the criteria in that respect.

I take the point in the briefing from Citizens Advice that the restriction of the application of this provision where judgment has been secured is objectionable. The reason is quite simple. Many such judgments are

[Ross Cranston]

reached by default; the consumer has had no say in the matter and the judgments are simply rubber-stamped. There needs to be a mechanism whereby those judgments can be challenged.

I very much welcome the use of the financial ombudsman; this is a real example of alternative dispute resolution. There are other provisions in the Bill which I also welcome. There are also omissions, as some of my hon. Friends have pointed out. One point that has not been mentioned is the section 75 issue, which involves the question whether consumer credit payments abroad are covered. The academic view has always been that they are, but a High Court judge said in a recent decision that they are not. This is a good opportunity to clarify that matter.

Commentators such as Professor Sir Roy Goode have pointed out a number of defects in the current legislation. They are technical defects, and I think that I had better write to my hon. Friend the Minister about them.

In summary, this is a good Bill, and I very much hope that, with the beneficial tinkering that I have talked about, it will be an even better one.

4.46 pm

Andrew Selous (South-West Bedfordshire) (Con): We should all agree, in a debate in which we are making considerable criticisms of the lending industry, that responsible lending is important to all our constituents in helping them to navigate the financial pressures that we all face at various times in our lives. It is ridiculously easy, however, for our constituents to borrow wholly irresponsibly at a time when debt has spiralled and savings have plummeted. Total personal debt in the UK now stands at £1 trillion. I am not a mathematician, but it might be helpful to the mathematically unfamiliar if I say that a trillion is a 1 with 12 noughts after it. Unsecured personal debt has doubled since 1997. The director of policy advice at Citizens Advice reported on 30 July 2004 that, over the past six years, there had been a 44 per cent. increase in the number of people coming into CABs with debt problems. This is not debt that people can cope with easily. We know from Citizens Advice, which everyone has praised today, that this is a widespread national problem.

I would like to give credit to the two citizens advice bureaux in my constituency, and to praise the excellent work that they do in Dunstable and Leighton Buzzard. I am grateful for the funding that they receive from South Bedfordshire district council, which in some cases helps them to employ additional financial advisers. I am also delighted that a credit union is about to be set up in the Downside area of Dunstable. I would like to see more credit unions in operation because they have an excellent record of operating in many areas of our constituencies that other financial institutions do not reach.

David Taylor: Will the hon. Gentleman rejoice with me at the item in this week's *Co-operative News* which records that the 500th member of the south-west Durham credit union is one Anthony Blair? Does not this demonstrate that credit unions appeal to all sections of society, not just the less well-off or the left of centre?

Andrew Selous: The hon. Gentleman is absolutely right. I believe that the President of the United States of America is also a member of a credit union. I intend to join the credit union set up recently in my constituency. He is right—they are for everyone, and more power to their elbow. They are excellent institutions.

We have heard horrendous stories of suicides, which have hit the papers, of people who have got into untenable debt and have seen no way out. I am struck, however, by the fact that in 70 per cent. of marriage breakdowns, financial problems are cited as one of the principal reasons. We should all be conscious of that. It is excellent that both Relate and community family trusts, which do excellent preventive work in terms of relationship support, are providing money advice to couples. Obviously, in all cases, prevention is better than cure.

I was interested to hear that one of the Acts in the United States of America is called Truth in Lending, as that should sum up what the Consumer Credit Bill is about—honesty, transparency, people knowing what they are getting themselves into and not having nasty shocks and surprises, and the industry acting sensibly and responsibly at all times. Above all, that means people knowing the interest rates that they will pay before they take out a loan, how long they will pay the loan for, and having that data well in advance.

Clearly, data sharing is important. Companies that lend need to know what other loans people have. It is ridiculous that at the moment, if people shop around a number of different credit lending companies to get the best value loan, and then they do not take up the offer, that can cause their credit rating to deteriorate, and they are regarded as a worse credit risk purely for acting sensibly and trying to shop around for the best possible loan. Penalising someone who has tried to act responsibly is completely the wrong result, and I hope that practice is stopped.

It is imperative that the lending industry operates under the general proviso of really knowing its customers. That is what it is all about. I want clause 15 to bring about a situation in which, if a lender knowingly lends irresponsibly, that loan will not be enforceable in the courts. It is a little disappointing that we are uncertain about that at the moment. We will have to see how the courts pronounce on such cases, as it is an important principle. If we can establish that knowingly irresponsible lending will not be enforceable, that, probably above all else, will stop the lending industry acting in such a manner.

There need to be clearer "wealth warnings" to people who are about to take out loans. For example, in relation to those advertisements that say, "Consolidate all your debts, roll them all up into one loan and you will be better off," a lot of people do not realise that they are moving from unsecured loans to secured loans, so their home could be in danger. There have been instances of people losing their home through not realising that, which is very regrettable and should not happen.

Payment protection insurance is a scam and a racket. Under the terms on which it is provided by many credit lenders, it is extremely bad value for money, and can

very often be provided considerably more cheaply elsewhere. People who borrow should be able to cancel payment protection insurance separately, and it should not be a condition that it is wound up with their loan. People should be offered proper value for money.

It is appalling that someone with a £10,000 loan should be twice as likely to have his or her credit limit increased automatically, as if the full amount owed were paid each month. The credit card companies like people who manage to make only the minimum repayments and they like people with large debts, because they know they will make more money out of those people. The industry will have to do something about the irresponsible increasing of credit limits.

As I said earlier in an intervention, there should be much clearer warnings about credit card cheques, which attract an interest charge the moment they are received by the credit card companies. That is not made clear in the literature. It should be highlighted in large print in statements when they are sent out.

I am sure we all agree that prevention is better than cure. Mention has been made today of proper financial education. I welcome the work done by citizens advice bureaux and schools, but I think that money education should be tied closely to significant life events that affect people's finances—losing one's job, for instance, or wanting to send one's child to university, which has become considerably more expensive under this Government. Other examples are a relationship break-up, the birth of a child and even a change of school, as was mentioned earlier.

I think it would be best for financial information to be provided at the time of such major events in a clear, simple form. It could be provided in a number of places: clear, simple leaflets could be provided in surgeries, hospitals, jobcentres and libraries. I cannot envisage people queuing for a course on financial literacy on a wet Saturday afternoon, but I can envisage them picking up a small, sensible, easy-to-understand leaflet while they wait to see a doctor, at a jobcentre or at the local library. Such advice must be independent, so that our constituents can trust it.

I realise that a number of others wish to speak, so I will end my speech.

4.57 pm

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): I, too, am conscious of the number of Members who wish to speak, so I will confine myself to just a few remarks. Like all who have spoken I welcome the Bill, and I echo the tributes paid to organisations such as the citizens advice bureaux, not just for the work that they do in my constituency and many others but for the effective way in which they, and Citizens Advice Scotland, have lobbied for the legislation and helped to create consensus.

First, I want to comment on the unfairness test which replaces the extortionate credit test. I agreed with what was said by my hon. and learned Friend the Member for Dudley, North (Ross Cranston) and the hon. Member for Gordon (Malcolm Bruce) about the need for a more specific definition of the unfairness test. However, I was struck by the comment of Citizens Advice in its briefing that one of the benefits of the proposal is that there is no attempt to define "unfair" in a way that would restrict its ordinary popular sense. If any attempt is made to define the test in Committee, it should not lead to any reduction in the benefits that it could bring.

It is in the nature of the credit industry that as one door is shut another is opened, and a new wheeze is dreamt up. Credit card cheques are an example. I do not think that they existed 10 years ago, and I find it hard to believe that they serve any social purpose. Too precise a definition might prevent us from changing our responses in accordance with the changing practices of lenders; that will be an important point to pursue in Committee.

I will be interested to hear from the Minister, if he has time, about the thinking behind the Government's decision not to include in the Bill details about the unfairness criteria. I hope that he can at least confirm today that the new unfairness test will be very broad. He has already said that the threshold will be lower than that for the extortionate credit test, and I certainly hope that the unfairness test will include considerations such as the content of advertising, the way in which, and the type of people at whom, credit is marketed, and the circumstances in which credit is advertised and marketed. The test will of course also have to take into account the individual circumstances of a particular borrower. What might be unfair for one borrower might not be so for another, given their particular experience or capacity in the financial sector.

I shall also briefly refer to time orders and their applicability to Scotland; indeed, this is an important issue for the UK as a whole. The general view is that the time order provision has not been used as much as it could have been, even in England, but there certainly is a particular problem in Scotland. Although this is a reserved matter, it has implications for the way in which the courts—and, in due course, alternative dispute resolution—will operate in Scotland, so it is an important issue to sort out.

I am surprised that the Bill does not make it clear that lay representation will be available in the Scottish courts for those who wish to act on behalf of people seeking time orders. In the initial consultation paper on tackling loan sharks, which was published some three years ago, the Government said that they

"proposed to amend the Act"

the Consumer Credit Act 1974

"to make it clear that lay representation should be allowed when applications for Time Orders are made".

The summary of responses to that document pointed out that

"respondents overwhelmingly favoured allowing lay representation"

in Scotland. I am not sure why this aspect of the provisions affecting Scotland got lost somewhere en route. I hope that it was not because someone decided that things were getting awfully complex, and that we should perhaps leave it out at this stage, rather than getting caught up between the levels of Scottish and UK government.

This is an important issue that needs to be addressed, particularly in Scotland. I doubt whether a Sewel motion is required, but in case one is, I should point out that one of the beauties of devolution and of having a unicameral Scottish Parliament is that measures can be put through very quickly. I am sure that Westminster

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and Scotland between them could get a Sewel motion through in the next couple of weeks, given the broad support among all the parties for this important measure.

I want to say something about the limit on the penalty that can be imposed on credit businesses that breach the Office of Fair Trading requirements. I agree that the £50,000 limit is much too low. Some of the organisations whose activities need to be stamped out are not mere back-street lenders; they are big organisations, for which £50,000 is nothing. There is no reason, therefore, for having a limit on the civil penalty that can be imposed. If I have read the proposals correctly—I might not have done so—the penalty can be imposed only if a requirement imposed by the OFT is broken. However, where a particular activity of a credit business is deemed to be unfair and has affected hundreds or thousands of consumers, but it then stops that activity, it will be impossible to impose a civil penalty. The OFT's power to impose a penalty will be restricted in a way that, broadly speaking, that of the Financial Services Authority is not. This issue needs to be looked at.

Finally, I hope that this debate sends out a clear message to our financial services industry. There has been great pressure for such legislation because in selling credit, too many lenders, including some of the biggest names in the industry, have engaged in practices that were frankly outrageous. I shall not go into them today, but we know of the examples to which many Members have referred. However, I am pleased to say that many people in the financial services industry have cleaned up their act and made a clear commitment to improve the way in which they sell their products.

What we need is not just legislation but a change in attitude, so that whenever a new product is dreamed up or new financial wheezes are brought from the drawing boards, the first consideration should not be how to make the maximum profit. That, of course, is part of the industry, and I want to see a successful financial services industry because thousands of jobs in my constituency depend on it. At the same time as thinking about the profits to be made, however, the financial services industry should also consider whether it is being fair to the consumer and the borrower. That is the sort of thinking that should apply when new products are being put on the market, and it is one reason why I am attracted to a broad definition of the unfairness test. If people thought that they could be caught by a broadening of that test, there would be less chance of a bad product going on the market in the first place. Overall, this is a good Bill in every sense, and I pay tribute to the constructive way in which it has been introduced to Parliament.

5.6 pm

Mr. Michael Weir (Angus) (SNP): On behalf of the Scottish National party and Plaid Cymru, I broadly welcome the Bill and we will support it. We believe that the new definition of unfairness is a major step forward that will start to attack the problem of excessive credit charges. However, in an earlier intervention on the Minister, I expressed some concerns about whether it would attack the root of the problem—the fact that only a few cases ever came to court. I accept that under the new definition that may change, and I welcome dispute resolution, despite the fact that I used to earn my crust as a lawyer. In these particular circumstances, such resolution could prove very useful, but I still feel that many people who are suffering under such agreements will never come forward, whatever the test.

Following the Meadows case I, with other Members, met representatives of the Office of Fair Trading to discuss the powers available to it. It appears that although the courts may find an agreement to be excessive, under the present law there are no powers to examine other agreements granted by a company. I appreciate that there is the matter of resources, and that this may be difficult, but will the Minister consider whether the intermediate sanction given to the OFT could include the power to order a company at least to alert other lenders to the judgment against it, and to investigate the terms of similar loans to establish whether they could be dealt with, without people having to go through the suffering of bringing a court case in the future?

In the Meadows case, the loan was granted by a company different from the one that finally became the defendant in the action. The loan had been sold on, which is not unusual in the financial services world. What concerned me when I spoke to the OFT was that it appeared that even when a company's licence was suspended or revoked, there was nothing to prevent it from simply selling on the loan book to another company, with the loans continuing under the same terms and conditions. Although a company had been struck off for excessive charges or other actions, its loans were not subsequently checked. That is wrong. There should be some procedure for alerting people to that problem. If a company has granted one loan, it is likely to have granted many others in similar circumstances. Will the Minister consider granting the OFT that power?

The most glaring omission from the Bill is the absence of any attempt to introduce rate capping, and it was interesting to hear some of the debate on that. We accept that debt incurred on the doorstep has been a pressing matter. Even if a power is not introduced at this stage, there is the possibility of introducing it through secondary legislation, should that be proved necessary by the review undertaken by the Department of Trade and Industry. We believe that it is necessary to tackle the problem.

Enough has been said this afternoon about the extent of the debt problem, and I shall not rehearse that. Suffice it to say that Citizens Advice Scotland, in its "On the Cards" report, shows that there has been a 64 per cent. increase in the average debt since 2001, and it now stands at more than £13,000. I noted that the BBC said this morning that calls to the consumer credit helpline had increased by 71 per cent. in the last year or so. That represents a tremendous increase in the amount of indebtedness in society, and shows just how deeply ingrained the problem is.

According to "debt on our doorstep", more than 3 million people on very low incomes have to borrow money at interest rates of between 150 and 200 per cent. We have heard examples today far above those rates. Even store cards from reputable stores charge interest rates of around 30 per cent.

Much has been said about financial literacy, but one of the problems is that people do not understand APR, AER and many of the other acronyms presented to them. How many people read the detail of an agreement before signing it? Very few, I suspect. In the days when interest rates were rising sharply towards a 15 per cent. base rate, many lenders simply extended the terms of loans and sold them on the basis of the monthly repayment rather than the APR. Many of our fellow citizens did not understand that practice.

A statutory cap is not a new idea, or indeed a particularly radical one. It existed in the UK before the 1974 Act and still exists in many European countries and in several US states. I appreciate that a cap does not appear in the Bill, but is under review. I strongly urge that the review be carried out swiftly. If the financial services industry does not get its act together as a result of the Bill the cap will be necessary, and should be introduced quickly. We only have to look at the never ending stream of credit offers coming through our letterboxes to see just how many companies want credit business, and I do not think that a cap would slow that down.

The exact terms of clauses 12 and 13 do give us some concern. Clearly, we welcome the main thrust of the clauses and the provisions relating to default notices. Two points arise, however. The level of the default sum is not stated in the Bill, and it will be of little use if it is set too high. It has been suggested in lobbying that it could be £50, yet many of the default sums are currently set at between £20 and £25, so would not be covered by the clauses. Perhaps the Minister could share with us his thinking on the amount.

The second problem is that there is no provision as to the frequency with which charges may be imposed under the ceiling. For example, if the ceiling were £50, a succession of smaller charges under that figure could be imposed without restraint. The consumer would not have the benefit of being able to pay off a loan without incurring interest charges.

I am conscious of the time constraints in the debate so I shall end with one point on the issue raised by the hon. Member for Edinburgh, North and Leith (Mr. Lazarowicz) about time orders. I agree with him about the necessity to bring Scotland into line with the rest of the UK. From my previous experience I know that time orders can be very useful. In Scotland lay representation was originally allowed with such orders, but a problem arose because provision for that did not appear in the original legislation—the Debtors (Scotland) Act 1897. Following representations, it was decided that it breached the Scottish rules of court.

A similar problem would arise from simply amending the Bill. The rules of court needed amending with regard to the representation on which Citizens Advice Scotland has lobbied. Under the present rules, anyone seeking a time order has to pay to have the order served on the defendant, but under the English system, they do not have to pay. Because of the rules of court in Scotland, the sheriff clerk cannot serve it on behalf of the applicant free of charge.

My party and I believe that both those matters must be dealt with quickly. I am not convinced that that can be done merely through an amendment to the Bill; a Sewel motion may be necessary. However, I have spoken to my colleagues in Edinburgh, and as we are keen for the matter to be dealt with, we will co-operate in any way necessary to bring it forward, to ensure that people in Scotland who want to benefit from a time order can do so fully.

5.15 pm

Mr. Martin O'Neill (Ochil) (Lab): Owing to the lateness of the hour, I shall not take up much of the House's time.

I welcome the Bill and the introduction of the unfairness test rather than the use of the word "extortionate". The test is helpful and will be preferable to an interest rate ceiling. As we know, interest rates do not reflect the cost of loans; there are a number of other factors, so the provision offers a good initial way of looking at the matter. However, we need a fail-safe to enable us speedily to improve the system by statutory instrument if the need arises. The matter need not take the proportions suggested by Conservative Front Benchers. I understand their points but, despite having the best of intentions, they are wrong on this issue. There should be provision for the introduction of a statutory instrument. The length of time that we have had to wait for the Bill means that we probably cannot afford to wait too long for changes that are more in the nature of fine tuning than fine principle.

We should look carefully at the fines ceiling of £50,000, which is far too low. As several Members have pointed out, the type of businesses we are talking about are not hole-in-the-wall operations; for many of them, £50,000 would be nothing. It should be possible to adopt a more pragmatic form of words to enable us to alter the provisions if the case for doing so can be shown.

Before Christmas, many of us were afraid that the Bill would not come before the House. The apparent sketchiness of some of its provisions may be attributable to the speed with which my hon. Friend the Minister was able to persuade others to get it into the pipeline. I imagine that there will be an incredible number of amendments in Committee to stiffen some provisions and to give others clearer definition. Draftspeople are probably working on them even as we speak.

As the Chairman of a Select Committee, I am, sadly, normally excused from participating in Standing Committees—actually, I do not really want to. In 1983, a group of us were dealing with the Mental Health Bill and had been working on it for several months. It was the first such Bill since 1959 and in the run-up to the 1983 general election, we eventually got through a compromise. More than 20 years later, another Mental Health Bill is being considered. I want to point out to my hon. Friend that legislation of that nature does not happen quickly, which is all the more reason for a pragmatic, open-ended approach to some of the provisions that several of us have identified as controversial.

I am not normally relaxed about, or praising of, the Scottish nationalists, but the last statement in the speech of the hon. Member for Angus (Mr. Weir) was encouraging. It is important to deal with time orders as expeditiously and as felicitously as possible. If we can have agreement in both Edinburgh and London that that is necessary and desirable, with a good will we can get those provisions through, too. That will greatly

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enhance for the whole United Kingdom what promises to be an extremely effective and encouraging piece of legislation. It will make the lives of many of our people much easier. Those people may be vulnerable, stupid, indolent—we could apply any number of adjectives—but, more than anything else, they look to Parliament for help and assistance. The Bill, and my hon. Friend the Minister's encouraging remarks, give us the chance to do something about that. I welcome the measure.

5.19 pm

John Mann (Bassetlaw) (Lab): I wish to ask my hon. Friend the Minister several questions, which I am sure he will answer at an early stage of the Bill's progress, if not today.

It is salutary to remember that during the two weeks in which the United Nations put together a record £2 billion for south-east Asia, World Bank profits over that period exceeded that amount. Does the Minister agree that, given that bank profits remain at record levels, if banks are not prepared to regulate themselves properly so that they are fair to consumers, it is appropriate for politicians to regulate them? However unwelcome such regulation might be in principle, it is being forced upon us.

Over the past year, I have dealt with three cases that are relevant to the Bill. The Minister is aware of the Lewis case, which ended in tragic circumstances. It is a tribute to Mrs. Lewis that she has represented well the interests of all families who live with the consequences of debt. I also dealt with a family who were about to lose their house because of mortgage debts, and with a woman who had never worked, yet had £14,000 of debt, all of which was due to credit given by the big banks. Is it appropriate that it should be left to my negotiating skills—however good or bad—to resolve such problems? Should not a systematic approach be provided by the banks, or put in statute, to resolve them, rather than relying on people such as me—in essence, the voluntary sector?

Should we not legislate to deal with the credit card cheques that the banks issue? The Co-operative Bank has specific links with the Labour movement, yet I recently received four credit cheques from it. Does the Minister agree that it is unethical for the so-called ethical Labour movement bank to issue credit cheques? Will he join me in calling on the Co-operative Bank to take a lead among all banks by refusing to issue such credit cheques to anyone in future?

Does the Minister believe that the banks should use a debt-to-income ratio for credit applications, similar to that used for mortgage applications? Does he agree that in addition to annual credit statements from credit suppliers, people should receive a consolidated credit statement similar to that available to consumers in the United States? Does he share my regret that when the banks discussed a voluntary system of sharing information within the Association for Payment Clearing Services, one of this country's major banks was not prepared to agree with the others that credit requires self-regulation?

5.23 pm

Mr. James Plaskitt (Warwick and Leamington) (Lab): I welcome the Bill and the secondary legislation that the Government introduced towards the end of last year. Taking them as a package, I am pleased by the Department's response to the points that we on the Treasury Committee emphasised following our investigative work over the past couple of years, which was thoroughly covered in the speech made by my right hon. Friend the Member for Dumbarton (Mr. McFall), the Committee Chairman.

During our investigation, we found a worryingly long list of the industry's failings. They fell into three categories, the first of which was failures of transparency. Illustrations of that included unreadable contract information—literally unreadable in some cases; too much misleading promotional material; and incalculable APRs. I am pleased that some of those issues have been picked up in the secondary legislation that has already been discussed elsewhere in Parliament.

The second category involved questions about the industry's real competitiveness. One of the most glaring examples that we found was store cards. Virtually a cartel operates, and we are still looking at interest rates of about 30 per cent. In some cases, the rates have not been revisited or reduced since 1999. I am pleased that, partly as a result of the issues that the Select Committee teased out in the inquiry, the Competition Commission is looking at the store card industry. I hope that its review will have some consequences for how the industry conducts itself.

The third category involves unfair trading practices. I come back to the unsolicited issuing of credit card cheques. There is one glaring omission in the Bill: it contains nothing that will help us deal with those cheques, which are sent to 16 per cent. of UK households. Virtually every issue is unsolicited, and evidence shows that they are sent to a greater than average proportion of cardholders who are already experiencing some form of financial difficulties. The Treasury Committee concluded from our investigations that in many instances the cheques are sent out irresponsibly by some lenders.

Last year's Government White Paper appeared to agree with us. At paragraph 5.62, it cites as an example of irresponsible lending

"unsolicited issuing of cheques that can be used to draw on credit card accounts".

I hoped that, as that example was flagged up in the White Paper, we would see some follow-through in the Bill. I hope that there will be time in Committee to consider amendments to cover that.

Credit card cheques are simply not necessary. They did not exist a few years ago and they are a wretched development in the expansion of consumer credit. Unlike credit cards, they offer no interest-free period. Interest starts as soon as the cheque is used. The rate of interest can be double that for the credit card to which they are nominally attached. There is a handling fee of 2 per cent., which does not apply to the credit card. There is less consumer protection for the transaction than if it had been made by credit card. Such transactions are far less secure against fraud than those made by credit card, yet in virtually all cases in which they are used, the consumer could have made the purchase using the credit card itself.

We have to ask what the real purpose of credit card cheques is and why the industry continues to promote them. The Treasury Committee asked for a number of measures to deal with them. We asked for clearer information on terms and conditions, statements on the cheques about applicable APRs and notice that interest was payable immediately. We asked that companies make it clear to users that they have less protection if they use credit card cheques than they have under any other aspect of consumer protection legislation, and that credit checking be carried out before they are issued.

I take the view that the existence of credit card cheques is indefensible. I accept that it may be difficult to go straight to banning the practice. When we had the chief executives before the Select Committee, I asked them to justify the unsolicited issuing of credit card cheques and I found that they could not. Although their explanations were possible defences for the existence of credit card cheques, none of them had a defence for the unsolicited issuing of them. The truth is that they are a purely cynical, opportunistic marketing opportunity—an enticement to users to use up their credit limit. One has only to look at the glossy promotional material that comes with the cheques to find confirmation of that. The literature says, "Use this for a gift, for a treat, for a holiday, to pay the school fees, to pay a utility bill or even the council tax bill." To suggest to consumers that they should undertake expenditure of that nature using the most expensive form of credit available is irresponsible.

It seems to me that the industry hopes that the cheques will flop on to the doormat on the same day as a glossy holiday brochure—that the consumer will put two and two together and end up paying six for it. I am not convinced that there is a case for those cheques, and they should certainly not be sent unsolicited. They are not part of the fair relationship that the Bill seeks to achieve. They do not help to achieve affordability, because they are the most expensive form of credit. They are not responsible lending. The industry says that when it introduces its revised code in March it will deal with some of these matters and offer consumers the right to opt out, but that does not come close to achieving what needs to be done. We must go much further, and we should require an opt-in. Cheques should be issued to consumers only if they actively request them.

The Bill provides an opportunity to end the unsolicited issuing of such cheques. It is a good Bill, but it is incomplete. If we could add such a provision, it would be much better.

5.30 pm

Mr. Wayne David (Caerphilly) (Lab): The Bill has been a long time coming but, nevertheless, it is welcome and it has been worth the wait. It is to the Government's credit that it commands a consensus, and it has been introduced following a tremendous amount of consultation with various parts of the industry.

As a Caerphilly MP, I welcome the Bill. Soon after I was elected in 2001, I had a meeting with the manager of the Bargoed citizens advice bureau. I asked him what was the issue of greatest concern to him and the town of Bargoed. He said that without question it was the issue of indebtedness. At the end of 2001, I read the results of the greater Gwent survey on indebtedness, which made the stark statement that there was a direct correlation between areas of deprivation and credit use. It cited Blaenau Gwent, the poorest region in the county—indeed, it is one of the poorest in the whole country—as having the worst levels of indebtedness. Monmouthshire, one of the most affluent areas, had a comparatively good record. It showed, too, that in the previous two years, in the borough of Caerphilly, part of which I represent, 7 per cent. of the population had been contacted by money lenders, many of whom were unregistered. Up to 57 per cent. of people who had taken out loans had experienced personal difficulties with those money lenders. That graphically depicts the scale of the problem.

A constituent came to my surgery a couple of years ago. Not unusually, she had taken out a loan of £20,000 and had signed a contract agreeing to an interest rate of 1.97 per cent. a month. That does not seem very much, but the annualised rate was 22 per cent. She discovered before long that she was paying £70,000 on a £20,000 loan, and found herself in court facing a debt of £100,000, a sum that she could never hope to repay. Similarly, a single parent who found herself in financial difficulty was approached in her local club by a supposedly friendly gentleman who offered her a helpful loan of £200. He said that there were no strings attached, but a few weeks later he knocked on her door asking for the £200 with an extra £200 in interest. That is a clear example of the problems that we are up against.

Sometimes, those problems can be resolved by people working together and by the police. However, I took the initiative on the issue of indebtedness with the local newspaper, the *Rhymney Valley Express*, and we ran a joint campaign against the loan sharks. We sought to highlight the issue and raise awareness, and we stressed the viable alternative of credit unions. The campaign also argued forcefully for changes in the law. That is why I am pleased with the legislative proposals before us.

As many hon. Members have said, the Bill has innumerable good features. Central is the proposition that we should introduce a concept of fairness to replace the concept of extortionate credit. I welcome that provision in clause 19, but there is room for clarification. I strongly recommend that the proposals from the National Association of Citizens Advice Bureaux be considered carefully by the Government and in Committee.

NACAB has produced an excellent briefing on various aspects of the Bill. There is much to commend those proposals. While the Bill may not be as strong as many of us would have wanted, it is undoubtedly a huge step forward. I urge hon. Members in all parts of the House to support it this evening, and I hope it gets on to the statute book as quickly as humanly possible.

5.35 pm

Mr. Laurence Robertson (Tewkesbury) (Con): It is a pleasure to wind up the debate for the official Opposition. It has been a good natured and well informed debate, and I shall deal in a moment with some of the contributions.

I, too, regret the absence of the Secretary of State, but I pay tribute to the Minister for the way he has put his case and drawn up the Bill. I thank him for his courtesy

[Mr. Laurence Robertson]

in inviting me to his office a few weeks ago to discuss the Bill. Perhaps I am not supposed to say that. I am sorry, but I appreciated the invitation. That does not mean that we will agree on everything, but when we do not oppose the Bill, working behind the scenes like that is beneficial to those whom we are trying to help.

We heard from all parts of the House about indebtedness. We heard that debt has increased considerably in the past few years. We also heard that incomes and household assets have increased—that is true, but it misses the point. In individual cases there can still be a problem, and in some cases a desperate problem. To say that income or assets have increased in general is to ignore the deeper point. I am pleased that the deeper point has not been ignored by many hon. Members who spoke today. They recognised that debt can be a huge problem.

I remember my grandfather telling me, "If you're in debt, you're in danger." That is true and it is a maxim that I have tried to stick to all my life. There are times when it may be desirable to borrow money. If one wants luxury items, that may be the right way to acquire them, although personally I think it is not. It may be useful to borrow money or extend one's credit to get over difficult times. The problem is that when one is in difficulty, one is more vulnerable, and when one is vulnerable, one is less likely to strike a good deal. We should be aware of that.

Some people do borrow sensibly, but when I nipped out earlier for five minutes for a cup of tea, I had a message on my pager. Somebody who came to see me yesterday—a constituency case—needed a little money. The message was to let me know that they had gone into their bank today without much supporting evidence and had come out with a promise of £24,000, just like that. That, I regret to say, is not untypical. It happens all the time and it proves to be a difficulty for some people. I know from experience that when people go out to work on Monday morning and get their pay packet on Friday or at the end of the month, it is depressing to see a large chunk of that money go to pay off past debts, perhaps for consumer goods from which the shine, the polish and the attraction have worn off. We are right to tackle the issue.

One of the problems is that legislation cannot tackle all the issues. We live in a free country where, rightly, people can borrow money if they so desire. Nothing that I have said so far should be taken as an attack on the credit industry, which is extremely efficient and one of our leading industries. There is a case for better education on running finances and the composition of credit agreements. From studies that I have conducted, for example, I know that if a contract includes a big condition in large print, minute writing somewhere else on the contract might not be legal and might not reverse what the big writing says. I know that, but a lot of people probably do not, and they may fall foul of such contracts. That is one small example of how we might start to educate people better. When we are broadening the curriculum in schools, such matters could be added to citizenship classes. Whenever I go to a wedding or speak to couples who are about to get married—they do not come and seek my advice—my advice to them is the same as that given to me: do not overstretch yourselves and do not get into too much debt.

I shall move on to hon. Members' contributions. The right hon. Member for Dumbarton (Mr. McFall), the Chairman of the Treasury Committee, discussed loan sharks and interest calculations and warned about debt.

The Liberal Democrat spokesman, the hon. Member for Gordon (Malcolm Bruce), spoke at great length about many issues—I shall not try to touch on all of them, but his speech was comprehensive.

The hon. Member for Burnley (Mr. Pike) spoke about people being "ripped off" by loan sharks and cited one or two moving cases.

My hon. Friend the Member for Upminster (Angela Watkinson) made a characteristically good, old-fashioned speech containing many good old-fashioned values—that is a compliment. She also provided warnings about debt, and I echo her remarks.

The right hon. Member for Leeds, West (Mr. Battle) discussed interest rate charges. I have not been persuaded yet and want to return to this point, but his argument for a statutory instrument to allow the Minister, whoever that may be—an election may well be coming up—to impose a ceiling on interest rates was persuasive. *[Interruption.]* I might be that Minister. Labour Members seemed to give up on the Minister and started to ask Conservative Members questions about what we would do, which is sensible because they will be doing that an awful lot more after 6 May.

My hon. Friend the Member for Bexhill and Battle (Gregory Barker) discussed the savings ratio and increased household debt. He provoked a number of interventions, but he made a thoughtful speech, especially when he said that he wanted a "more favourable balance" in the industry, which is a good way to put it.

The hon. and learned Member for Dudley, North (Ross Cranston) made a good point, to which I shall return, when he asked about the meaning of "unfair".

My hon. Friend the Member for South-West Bedfordshire (Andrew Selous) made an outstanding speech, especially when he mentioned that financial problems are a considerable factor in many marriage breakdowns. Although financial problems are not the only reason for marriage breakdowns, debts place many marriages under an unreasonable strain, and I am glad that he raised that point. He raised another important issue, the inadequacy of credit ratings, and discussed payment protection, which he described as "a scam".

Unfortunately, I missed the speech by the hon. Member for Edinburgh, North and Leith (Mr. Lazarowicz), but I am told that he raised the issue of unfairness. I apologise for missing his speech, and that of the hon. Member for Angus (Mr. Weir), who made the good point that APRs are not a reliable guide to actual interest rates.

In the shortest speech that I have ever heard him make, the hon. Member for Ochil (Mr. O'Neill) made the good point that statutory instruments are perhaps needed.

The hon. Member for Bassetlaw (John Mann) discussed banks and their practices; the hon. Member for Warwick and Leamington (Mr. Plaskitt) spoke

about credit card cheques; and the hon. Member for Caerphilly (Mr. David), from whom we have just heard, discussed the difficulties with many money lenders. It has been a very wide-ranging debate.

I mentioned my concerns about debt levels, education and small print. Like many other hon. Members, I am also somewhat concerned about the way in which opportunities to borrow money are marketed and sold.

It is right to reduce the burden of proof to unfairness, but we need to know what that means; otherwise, one or two court judgments might be required in order to set a precedent. I am not convinced that we should leave the provision as it is, and before the Committee starts I shall discuss with my hon. Friends whether we want to try to clarify it. After all, clarification is one of the Government's main motivations for introducing the Bill.

On small loans, one of the arguments against interest rate ceilings is that the interest rate is not necessarily the all-important factor. Many people find small loans of £100 or £200 very helpful. The interest rate on those loans might be relatively high, but the companies who lend that kind of money are often more flexible in their approach, so one factor may balance the other. We will need to take a sensitive approach to that in Committee. I would not want such customers to be alarmed, for example, by getting late payment notices when they are only two or three weeks late with the payment and paying only a fiver a week.

I am worried about giving more power to the Office of Fair Trading. The Bill is all about proper regulation and cutting out the loan sharks—that is necessary, and I would not want anyone to get me wrong about that. However, I remember that when I had an Adjournment debate on the horse-racing industry in the House about 18 months ago—it was replied to by the Minister who will reply today—I said that although Parliament can control the OFT through primary legislation, it has no such control on a day-to-day basis. I could bring my case to the House of Commons, but it would not be heard by the OFT, which had the power to destroy the horse-racing industry. There was nothing that I, as a Member of Parliament with the Cheltenham racecourse in my area, could do about it. That is an analogy, but it is relevant. I am particularly worried, for example, about giving the OFT the power to enter premises. I shall return to that in Committee.

Several hon. Members said that there should be more scope for statutory instruments in the Bill—for example, to allow the Minister, if he so wishes, to set interest rate ceilings or to increase the £50,000 fine if it is found to be inadequate. At the moment, I am not persuaded that we should go down that route, although I understand the points that have been made. Again, I will discuss it with my hon. Friends.

We will need to analyse many of these matters in Committee, and I regret that we may not have adequate time to do so. I am afraid that it is the hallmark of this Government to programme everything. That is why, in a few minutes, we will vote against the programme motion, although we will not vote against the Bill itself.

We recognise the need for the Bill. The credit industry and the financial world in general have changed remarkably and are unrecognisable from what they were 30 years ago. We need to root out loan sharks and to create more favourable conditions for those who borrow money, especially the vulnerable. The same people lose out all the time, and the Bill is welcome if it will prevent those same people from losing out in future. I thank the Minister for his courtesy in keeping me informed as he introduced the Bill, and I look forward to taking up the issues with him in Committee.

5.49 pm

Mr. Sutcliffe: With the leave of the House, I should like to respond to an excellent debate on a serious issue, which affects many of our constituents and an industry that contributes well to our economy.

In my opening remarks, I said that the Bill's fundamental principles were transparency, responsibility, protection and fairness. I believe that it will deliver that. Front-Bench spokesmen from the Opposition parties made excellent contributions this afternoon. I am pleased that my hon. Friend the Member for Ochil (Mr. O'Neill), who chairs the Select Committee on Trade and Industry, and my right hon. Friend the Member for Dumbarton (Mr. McFall), who chairs the Treasury Committee, are present. I want to put on record my thanks to them and the members of their Committees for their excellent work in deliberating on credit and other financial inclusion issues.

Many hon. Members made tremendous contributions, because it has been one of those rare occasions in the House when a Bill gets the general support of all parties. Of course, there are matters of detail to discuss and the Committee and Report stages will be eventful. I am grateful for the expertise that hon. Members' contributions have shown. Indeed, we heard that my hon. and learned Friend the Member for Dudley, North (Ross Cranston) has published a textbook on many of the problems that we discussed. Excellent speeches were made and competition for places on the Committee will be strong because many hon. Members want to ensure that the Bill meets the objectives that we are trying to achieve.

The debate generally showed consensus. The hon. Member for Eddisbury (Mr. O'Brien), supported by the hon. Member for Bexhill and Battle (Gregory Barker), introduced a little of the political agenda and I want to set the record straight. I shall set out the strong economic position that the Government have achieved—hon. Members would expect nothing less of me. We have the lowest unemployment for 29 years, the longest period of sustained economic growth for 200 years, the lowest mortgage rates for 40 years and the lowest inflation since the 1960s. That is a good record from which to examine many of the issues that we have discussed today.

Some, albeit not many, Opposition Members tried to insinuate the idea that credit was bad for people. On the whole, credit, when used sensibly, is a useful tool for many people. As the hon. Member for Upminster (Angela Watkinson) said, attitudes have changed greatly. The industry has expanded from only one kind of credit card in 1974 to the 1,500 products and 39 million credit cards that now exist. In the UK economy, there has been a 50 per cent. increase in total net household wealth. We have experienced average growth of 3.1 per cent. in real household disposable income since 1997. More importantly, 2 million more

[Mr. Sutcliffe]

people are in work. That makes a great difference. I chide the Conservative party a little for presiding over interest rates of 15 per cent. and 3 million unemployed.

I am confident that the macro-economic position that the Government have created gives people the ability to make decisions about their economic choices. Credit can be a useful tool for that. However, there are important issues such as savings. As I said earlier, the key matter for me is the proportion of household disposable income that is spent on interest payments, which was 7.6 per cent. for the first quarter in 2004. That is a good indicator.

I was asked several questions in the debate and I shall try to answer as many of them as possible and as quickly as possible in the time that remains. If I cannot answer them all in the time, I shall write to hon. Members. We shall go through the Bill's many clauses in great detail in Committee. I shall not suffer from lack of advice, given the many issues that were raised in the debate.

One of the key issues raised was the use of secondary legislation in relation to the interest rate ceiling, and I want to clarify our position on that. The hon. Member for Eddisbury is quite right; I did say on the radio that we could introduce secondary legislation on the interest rate ceiling. On reflection, however, I see that that would not be the right way to do it. We will review the position, and I know that hon. Members will raise the issue in Committee. Given the evidence in the report that we commissioned, and the consultation documents that we received from a variety of bodies, we are not convinced that an interest rate ceiling would be adequate to cover the problems involved. The unfair credit test will affect extortionate credit. The reason for not going down the secondary legislation route is that we have consulted fully on this Bill all the way through. It would therefore be wrong to use secondary legislation as a vehicle, without going through further full consultation. I hear what my hon. Friends have said about interest rate ceilings, and I look forward to our debates in Committee, when we shall be able to put on record the various reasons why we do not favour that particular route.

Another key element of the debate involved credit card cheques. My hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt), a key member of the Treasury Committee, has raised this issue on a number of occasions. He pointed out that one of our own documents talked about the inappropriateness of such cheques. I favour the change to the banking code of practice as a means of dealing with this, but we shall need to monitor the issue and, if that is unsuccessful, we shall have to return to it and see what we can do. If the cheques are being sent to vulnerable or inappropriate people, that could be caught up by the unfairness test. Perhaps we need to look at that.

Many hon. Members talked about the role of credit unions. The Government believe that credit unions have an important role to play in the provision of greater choice and diversity in the financial services sector. We have been involved in a number of initiatives to help the movement to grow and to offer a greater range of services to its members. Credit unions certainly have a key role to play.

Many hon. Members also supported the work of the citizens advice bureaux and the other organisations that give help and support to people who have difficulty with debt. We are working closely with Citizens Advice to inform it of the changes, so as to give it time to revise its information and training. It has estimated that the initial cost to Citizens Advice of the introduction of the Consumer Credit Bill will be in the region of £1 million, so we are going to have to look at the resource implications of that. I noticed that the hon. Member for Eddisbury did not make a commitment to fund the citizens advice service in the way that we do, through the DTI, should that awful day ever arrive when his party is again in Government.

Debt advice is important, and the credit industry is looking at the issue. We are working on many ways of targeting the best kind of advice, particularly in regard to vulnerable consumers. We are helping to develop a gateway to telephone advice services that will signpost consumers to the service appropriate to their needs. We are also working to ensure sustainable funding for the free debt advice sector, and encouraging increased contributions for three-year periods.

There has been a great deal of discussion on the £50,000 penalty limit, and we can usefully discuss in Committee how we arrived at that figure. We can also consider the way in which we want the penalty to be imposed for breaches of requirements, and not for extortionate or unfair credit. The penalty cap is not unprecedented. There is provision for such a cap in the Competition Act 1998. It will be useful for us to have a debate in Committee on that subject, and on the licensing regime. We considered the introduction of a provision relating to 10 per cent. of turnover—a provision that is also in the Competition Act—but we decided that it might be inappropriate. Hon. Members from Scotland raised the question of time orders. I am keen to ensure that they will be a useful vehicle, and we need to take up the offers that have been made, to ensure that there is consistency throughout the UK.

This is an important Bill, and we will look at it in great detail in Committee. It is long overdue—it has taken 30 years to introduce it—and we need to ensure that it gets on to the statute book as soon as possible. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

CONSUMER CREDIT BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6),

That the following provisions shall apply to the Consumer Credit Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 3rd February 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Programming of proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*[Mr. Sutcliffe.]*

The House divided: Ayes 273, Noes 83.

Division No. 32] **[5.59 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Beard, Nigel
Beckett, rh Margaret
Benton, Joe *(Bootle)*
Betts, Clive
Blears, Ms Hazel
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byers, rh Stephen
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Casale, Roger
Cawsey, Ian *(Brigg)*
Challen, Colin
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Colman, Tony
Connarty, Michael
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Crausby, David
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Dalyell, Tam
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dean, Mrs Janet
Denham, rh John
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Efford, Clive
Ellman, Mrs Louise
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Flint, Caroline
Follett, Barbara
Foster, rh Derek
Foster, Michael Jabez *(Hastings & Rye)*
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, rh Bruce *(Walsall S)*
Gerrard, Neil
Gibson, Dr. Ian
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Havard, Dai *(MerthyrTydfil & Rhymney)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Heyes, David
Hill, rh Keith *(Streatham)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Iddon, Dr. Brian
Illsley, Eric
Jackson, Glenda *(Hampstead & Highgate)*
Jenkins, Brian
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Kevan *(N Durham)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Kelly, rh Ruth *(Bolton W)*
Kemp, Fraser
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
King, Ms Oona *(Bethnal Green & Bow)*
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, David
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Lewis, Ivan *(Bury S)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
McNamara, Kevin
McNulty, Tony
Mactaggart, Fiona
McWalter, Tony
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Munn, Ms Meg
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
O'Hara, Edward
Olner, Bill
O'Neill, Martin
Organ, Diana
Osborne, Sandra *(Ayr)*
Palmer, Dr. Nick
Perham, Linda
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pollard, Kerry
Pond, Chris *(Gravesham)*
Pound, Stephen
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Quin, rh Joyce
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Roy, Frank *(Motherwell)*
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Salter, Martin
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sheridan, Jim
Short, rh Clare
Simon, Siôn *(B'ham Erdington)*
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Spellar, rh John
Steinberg, Gerry
Stinchcombe, Paul
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Harrow W)*
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dr. Desmond *(Brighton Kemptown)*

Turner, Neil *(Wigan)*
Twigg, Derek *(Halton)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Weir, Michael
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Wills, Michael
Winnick, David
Wood, Mike *(Batley)*
Woolas, Phil
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Joan Ryan and
James Purnell

NOES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Baldry, Tony
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brooke, Mrs Annette L.
Bruce, Malcolm
Burstow, Paul
Cable, Dr. Vincent
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cran, James *(Beverley)*
Djanogly, Jonathan
Duncan Smith, rh Iain
Evans, Nigel
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Garnier, Edward
Green, Damian *(Ashford)*
Greenway, John
Grieve, Dominic
Hammond, Philip
Harris, Dr. Evan *(Oxford W & Abingdon)*
Heath, David
Hendry, Charles
Holmes, Paul
Hughes, Simon *(Southwark N)*
Jack, rh Michael
Jenkin, Bernard
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Laing, Mrs Eleanor
Lamb, Norman
Lewis, Dr. Julian *(New Forest E)*
Lilley, rh Peter
Loughton, Tim
McIntosh, Miss Anne
Mackay, rh Andrew
Malins, Humfrey
Mates, rh Michael
Maude, rh Francis
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
O'Brien, Stephen *(Eddisbury)*
Paice, James
Paterson, Owen
Pugh, Dr. John
Robathan, Andrew
Robertson, Laurence *(Tewk'b'ry)*
Russell, Bob *(Colchester)*
Selous, Andrew
Stanley, rh Sir John
Stunell, Andrew
Swayne, Desmond
Taylor, Ian *(Esher)*
Thomas, Simon *(Ceredigion)*
Tonge, Dr. Jenny
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*

Tellers for the Noes:
Mr. Mark Prisk and
Gregory Barker

Question accordingly agreed to.

CONSUMER CREDIT BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Consumer Credit Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(1) any expenditure incurred by a Minister of the Crown or the Office of Fair Trading by virtue of the Act, and

(2) any increase attributable to the Act in the sums payable out of money so provided by virtue of any other Act.—*[Mr. Watson.]*

Question agreed to.

CONSUMER CREDIT BILL *[WAYS AND MEANS]*

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Consumer Credit Bill, it is expedient to authorise—

(1) the imposition of charges on persons who hold licences under the Consumer Credit Act 1974 or who apply or have applied for the issue or renewal of such licences, and

(2) the payment of sums into the Consolidated Fund.—*[Mr. Watson.]*

Question agreed to.

Rail Services (Telford)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

6.13 pm

David Wright (Telford) (Lab): I appreciate the opportunity to discuss rail services in Telford. The quality of those services is an issue that local constituents and the business community regularly raise with me and with my hon. Friend the Member for The Wrekin (Peter Bradley). It will be useful if I begin by describing the services currently enjoyed by Telford people; I will then outline a set of priorities for future action, which I hope the Government will take up. They fall under two main headings: improving local services, and through services to London.

It is worth pointing out that rail travel is popular, and that people in Telford and throughout the country are keen to use a good service. Indeed, "Transport Trends: 2004", published by the Department for Transport, shows that

"since 1980, the number of journeys made by national rail has gone up by 33 per cent., from 760 million to 1,014 million. It fluctuated, roughly in line with the economic cycle during the 1980s and early 1990s, but has risen sharply since 1995–96. The number has risen by 4 per cent. in the last year. Passenger kilometres travelled by national rail have increased by 35 per cent. since 1980, from 30 to 41 billion passenger kilometres. Again, most of the increase has occurred since 1995–96. The effects of the Hatfield crash in October 2000 briefly caused an interruption in this trend, but usage has increased since then."

It is a positive trend in terms of passenger usage.

Thus, contrary to popular belief, more people are using the railways. One only needs to reflect on the number of vehicles parked by commuters at Telford Central railway station today or on any other day, in comparison with 10 years ago, to know that the trend is mirrored by my constituents and those of my hon. Friend the Member for The Wrekin. That does not mean that the service is problem-free. The railways are suffering from historic under-investment, stretching back for decades, and from the flawed structure that was put in place during the privatisation. The process of reform has already begun and there is now record investment in the industry.

It may be helpful if I speak a little about the services that run to and from Telford. Telford sits on a line running from Wolverhampton through Shrewsbury and on to north Wales. The line has not been electrified, which has caused a number of problems that I shall return to later. There are two stations in my constituency: Telford Central and Oakengates. Oakengates is a small halt-style station of which I am very fond. It is important to the local community and I am fond of it because I commuted from it into the conurbation for many years. The main passenger usage is at Telford Central and at Wellington, which is in Telford, but falls within the constituency of my hon. Friend the Member for The Wrekin.

Three operators use the route: Central Trains, Arriva Trains Wales and English, Welsh and Scottish, which runs freight services. Central Trains operates two services an hour—an all-stations DMU two-car class 156 that runs from Wellington to Walsall and a faster DMU class 158/170 service that stops at Wellington and central Telford only and runs from Shrewsbury to Birmingham New Street. Additional services run during peak hours.

Arriva Trains Wales operates one train an hour—a class 158/175 service that alternates from Aberystwyth in one hour and Chester to north Wales in the other hour, stopping at Wellington and Telford Central. English, Welsh and Scottish Trains run coal MGRs—automatic bulk-coal vehicles—into Ironbridge power station along the line, and these run approximately two-hourly on weekdays. A steel train from south Wales to Wolverhampton steel terminal also runs on most days. Telford used to have a direct service to London, Euston, with a changeover from diesel to electric at Wolverhampton and vice-versa on the return journey. The service was finally discontinued in 2001, after being scaled back to one service per day previously.

Now that I have set the scene, I shall move on to my first point about improving local services for Telford residents. The Secretary of State announced last year that the number of passenger rail franchises is to be reduced from 25 to 19 and the industry has made it clear that it is committed to ensuring that those new arrangements drive more effective working between Network Rail and the train companies, in the interests of passengers. When the Central Trains franchise expires, its services will be absorbed, as appropriate, by Virgin Cross Country, Midland Mainline, Northern, Silverlink Trains and Chiltern Railways franchises. That will obviously impact on Telford and will provide us with an opportunity to look at the scope and style of the services that my constituents—and, indeed, those of my hon. Friend the Member for The Wrekin—enjoy.

In the light of that debate, will the Minister insist that the service is positively reviewed at the time of the transfer to the new franchise companies? The review will focus on four key areas. First, it will focus on more punctual services and fewer cancellations; and secondly, on greater capacity in local services so that passengers do not have to endure the current problem of overcrowding—an issue that also needs to be addressed on the Arriva service. Thirdly, it will focus on providing more regular services from Telford to Birmingham International, which is where the major regional airport is located. Fourthly, it will need to examine the potential for a service from Telford that stops at local stations—such as Tipton and Smethwick, to cite just two examples—in the west midlands conurbation through to Birmingham New Street.

Peter Bradley (The Wrekin) (Lab): It goes without saying that I agree with everything that my hon. Friend has said. May I add a fifth category to his list? We should require operating companies to make a concerted investment in the stations, most of which have been unstaffed for many years and offer a hostile environment late at night, especially to women. If train operating companies want to make a profit on the railways, they need to be able to encourage people back to the stations before they get on the trains. I hope that my hon. Friend agrees with that point.

David Wright: I agree wholeheartedly with my hon. Friend. That is the situation at Telford Central, Oakengates and Wellington. One can arrive late at night, on a local service, and the station is deserted. In

[David Wright]

the case of Telford Central, people have to walk a long way to reach areas where there are other people, because it is right in the centre of the town and surrounded by offices and hotels. However, I shall return shortly to some of the improvements that have taken place at Telford Central that have made the situation much better than it was 10 or 20 years ago.

Those issues—including the fifth one raised by my hon. Friend—are important because Telford is a housing growth point with thousands of new homes to be built in the next 10 years. Many people will probably move to the town from the black country and other urban areas, retaining their jobs in the short term. Easier rail connections will obviously help encourage more people to move into the area.

We are a growing town which promotes itself for new business start-ups. We also have a large number of long-standing companies. Both of those groups want better rail services. Business and leisure tourism are fast growing and important sectors in Telford, supporting thousands of jobs and generating income in terms of visitor spend. The town is fortunate in having one of the UK's top 10 conference and exhibition venues in the International Centre, as well as several large hotels.

Improvements in services would be relatively easy to achieve. People want to be able to plan their time effectively and turn up at the rail stations at a time that they understand in the timetable, whether it be 10 to or 20 past the hour. They want to know that the train will arrive on time, it will be clean and a seat will be available. That is not too much to ask—indeed, much of the time it already happens—but there are problems, especially at peak times. Those criteria must be met every time a train stops at Wellington, Oakengates or Telford Central.

There have of course been some very positive improvements in recent years. The quality of the trains provided by Virgin to London from Wolverhampton, which are used by Telford residents, has improved significantly. The new platform at Wolverhampton has also improved capacity at that station, which is the main connection point for Telford rail users. I also used to commute on the line some 20 years ago when I was a student—I do not like to think that it was so long ago—and the reliability of the service then was awful. So we have clearly come a long way. The service has improved, but we could do so much better.

There is also now much better integration of transport services at Telford Central station. It was only in the last couple of years that the station was linked to local bus services and this has proved very popular. We have recently had the car park resurfaced, new spaces have been provided—we now have more than 300—and there is a new taxi rank. That all costs money and is often overlooked. Local residents also often overlook the fact that we are investing in the station. However, we could do a lot more, as my hon. Friend points out. We also have a major proposal for a rail freight terminal in the town and I hope that that will move towards completion in the near future.

My second point relates to the resumption of direct services from Telford to London. Direct services from Shrewsbury to London, and from Telford to London, have been tried before but they proved to be uneconomic. The Shropshire chamber of commerce and Business Link have developed a business case for the resumption of services and I know that it was submitted to the Department for Transport last month. Through services were first introduced when the west coast main line was electrified in the 1970s, but the need to change from electric to diesel locomotive at Wolverhampton, in order to connect to Telford and Shrewsbury, was time-consuming, disruptive and expensive. The need to change traction at Wolverhampton not only caused congestion at that busy mainline bottleneck but often allowed the following Central Trains service to overtake, which was illogical.

The chamber of commerce proposes a scheme to place the large conurbations of Shrewsbury and Telford on the west coast main line by electrifying the 28 miles from Oxley to Shrewsbury and revitalising the rail services on offer to London and to Birmingham and its international airport. That would be of direct benefit to Telford residents. The detail of the submission draws on the social and economic factors used in the Strategic Rail Authority's appraisal criteria, and a new timetable for services has been proposed.

A large number of people travel to Stafford from Telford by car to use the more rapid rail service to London. People using the London link from Wolverhampton often experience long waits on the platform, either going down to London or returning, especially in the evening. I know all about that—as does my hon. Friend the Member for The Wrekin. I have often stood in the cold on Thursday nights waiting for the connection to Telford.

Electrification of the line from Wolverhampton is a major financial commitment, but the Shropshire chamber of commerce has made the case that it will ultimately prove value for money. We must consider that option and we must also look into the possibility of improving diesel services to give through running to London. The chamber has considered that option and we may have to return to it if electrification costs prove prohibitive.

I am not a rail finance expert so I cannot comment on the detailed costings in the submission, but I hope that my hon. Friend the Minister will look at them in great detail and that she will meet members of the chamber and Business Link, my hon. Friend the Member for The Wrekin and me to talk through the scope of the service. A growth point such as Telford deserves a connection to London.

Peter Bradley: As an economic growth point, Telford deserves and demands a through service to London, but so, too, does Wellington. Although my hon. Friend and I are enthusiastic supporters of the chamber's bid, I should like it slightly expanded to include investment in extending the platforms at Wellington to accommodate through services. Wellington is an important community, which has a strong economy that we want further to underpin, so I hope my hon. Friend shares my view that it should be included in the bid.

David Wright: I am more than happy to accept my hon. Friend's comments. I hope that we can come up with a scheme that will benefit all our communities in

Telford. If it is not possible to reinstate a direct London service, we need to push hard for better, faster services to Birmingham International, which is a key regional transport node. We need to ensure that those services come online, even if the London service does not come back into use soon.

I look forward to the comments of my hon. Friend the Minister on my two key points and on some of the other points that we have discussed. I fully acknowledge that we have seen major strides forward in the rail service in recent years; the Government are making a tremendous investment in it. The new structures will allow us to prioritise the needs of passengers, as expressed to Members of Parliament and, more generally, to rail user groups in the community. Those structures enable us to listen more effectively, and I hope that the Government will listen tonight, especially to the points about local services.

We are certainly making progress and it would be put at risk if other parties were to get into power, as cuts in the transport budget seem to be one of the main objectives in the Opposition's cuts agenda. I look forward to the Minister's response.

6.28 pm

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): I congratulate my hon. Friend the Member for Telford (David Wright) on securing the debate and providing an excellent opportunity for the House to discuss rail services in Telford. As always, he demonstrates his reputation as a hard-working and focused constituency MP.

There are regular direct rail services from Telford to Wolverhampton, Birmingham, Shrewsbury, Crewe, Liverpool, Manchester, Chester, Cardiff, Swansea, Hereford and Cambrian coast destinations, including Aberystwyth, Tywyn and Harlech. In addition, both Telford and Shrewsbury act as interchange points for bus services to local non-rail destinations. All train services from Telford are currently diesel powered.

A through service to London existed until 1992, when it was withdrawn by British Rail, because of limited demand and the difficulties of changing from electric to diesel locomotives at Wolverhampton. Following rail privatisation, Virgin Trains introduced a limited through service but that, too, was withdrawn by 2000 because it was not commercially viable.

Telford is a large and growing economic centre, and usage of the railway has increased over the past 10 years. The Strategic Rail Authority's forthcoming consultation on the west midlands route utilisation strategy will re-examine service patterns on the Shrewsbury-Telford-Birmingham corridor and will include a consideration of the practicality and value of providing a direct Shrewsbury-Telford-Birmingham-London service. It is planned that the consultation document will be issued in the next few weeks.

Following the expiry of the current Central Trains franchise in 2006, its routes will be distributed between five existing franchises. Where appropriate, those franchises will be put out to tender as soon as possible. Bidders for the new franchises will be expected to demonstrate the reliability and operational viability of their proposals. Any specific improvements to such aspects as rolling stock must of course represent value for money for the taxpayer and be affordable within the context of the franchise as a whole. I certainly hope that there will be real scope to improve existing carriage capacity and reliability, and my hon. Friend the Member for The Wrekin (Peter Bradley) is right to say that more investment in stations is needed.

Electrification from Wolverhampton to Telford and on to Shrewsbury has been considered on various occasions. An independent report has recently been produced by Strategic Transport Solutions for the Shropshire chamber of commence and Business Link, as my hon. Friend the Member for Telford said. The report has been submitted to local stakeholders and the SRA, which is evaluating it.

I should explain that the case for electrification of railways on a strategic national basis appears to be weak compared with that in the last major study undertaken by British Rail in 1981. The priority is to provide additional capacity for both passenger and freight demand while at the same time improving the network to enable train operators to deliver significant improvements to the quality and reliability of their services, which customers rightly expect.

In the 1970s, electrification undoubtedly brought numerous advantages, such as reduced fuel and maintenance costs and rail vehicles with better acceleration, higher top speeds and quieter operation. In the current climate, however, that is no longer the case. Diesel fuel is now much cheaper, so the fuel cost differences have been largely eliminated. The performance characteristics of modern diesel trains are at least as good as equivalent electric units, and although the maintenance costs of electric trains are slightly lower than those of diesel trains, if the cost of maintaining overhead line equipment is added to that, the case for electric trains against diesels does not stack up.

The report is being considered in depth by the SRA at present and will be evaluated as part of the regional planning assessment for the west midlands. However, I shall be happy to meet my hon. Friends the Members for Telford and for The Wrekin about the matter if they wish.

Peter Bradley: I welcome the Minister's offer and I am sure that my hon. Friend and I will want to take her up on it. Does she concede that it is unreasonable to regard Telford and the Wrekin as growth points for housing and the economy without taking the necessary steps to provide the infrastructure required to underpin that vital growth?

Charlotte Atkins: I certainly accept what my hon. Friend says. It is clear that Telford and the Wrekin are growing apace, so we must take that on board when we consider options for transport links.

Capacity enhancements and possible infrastructure improvements that may be needed to accommodate both rail freight and passenger traffic, and to meet the long-term planning needs of the network, will be determined by a series of regional planning assessments that will form the basis for planning the development of the railway over the next five to 20 years. RPAs will consider the function of the railway within current and future land use and transport systems and its role in

[Charlotte Atkins]

supporting the economic and wider development objectives of local, regional, devolved and central Government. One of the RPAs' key objectives will be to maximise value for money in pursuit of the Government's objectives for the environment, safety, economy, accessibility and integration.

Concern has been expressed that passengers and intending passengers do not find it easy to obtain information on train services and fares. We are anxious that all rail passengers and intended passengers should be able to obtain rail information easily. The published timetables and those displayed at Telford railway station give information about direct services from Telford to stations in East Anglia, Pembrokeshire and Cornwall. Services to Manchester airport, Birmingham airport and London Euston are non-direct services. I am sure that hon. Members will appreciate that, as non-direct services can involve a number of changes along the route, this information is better provided by the station ticket office staff. The national rail enquiry service is extensively used for the provision of rail information and has a good reputation for both speed and accuracy. Increasingly, rail inquiries are being handled via various websites, and this appears to be both fast and effective, too.

As the House will be aware, the Strategic Rail Authority published its community rail development strategy in November. The strategy aims to put local and rural railways on a sustainable basis for the long term, by increasing ridership, freight use and net revenue, managing costs down, and through the greater involvement of the local community. It is based on the premise that the closure of lines is neither desirable nor a solution to the problems that local lines face. I can assure hon. Members that this strategy is firmly aimed at increasing rail use and developing the railways, to the benefit of the communities that they serve.

The strategy has been developed over a period of some 18 months, involving an extensive consultation exercise in February last year, which drew responses from over 300 organisations and individuals, including local and regional authorities, regional assemblies, regional development agencies, the rail industry, tourism bodies, MPs, rail user groups and a host of other bodies and individuals. By and large, the objectives and approach advocated in the consultation document were supported by the respondents. There was an almost universal agreement that no single approach could be adopted network-wide. Rather, the appropriate local solutions would have to be encouraged within a broad framework.

The final strategy was published in the light of the responses received to the consultation. It lists 56 routes that the Strategic Rail Authority proposes to designate as community rail lines. These local and rural routes make up about 10.5 per cent. of the national rail network, including 390 stations. As hon. Members will know, personal mobility is increasing, traffic congestion is rising and growth is taking place in many areas served by community railways. There is evidence of latent demand for these lines. The argument for their retention and development is therefore compelling, and is fully supported by the Government. To achieve the objectives of the strategy there will have to be active support from a wide range of stakeholders, including train operators, Network Rail, local authorities and local users, working in partnership.

The Heart of Wales line from Shrewsbury to Swansea is an example, as is the Shrewsbury to Chester section of the Birmingham to Chester services that pass through Telford. The aims are to develop new markets, to fill empty seats on current services, to integrate the rail service with local bus and community transport services, to build up relationships with small businesses along the line, and to evaluate the potential for new stations and higher service frequencies.

Telford, as well being a major destination in itself, is an important interchange point between a number of train services and buses to non-rail destinations. The future of rail services from Telford is secure, and the SRA will be working to improve the performance and quality of services to and from the town. I congratulate my hon. Friend the Member for Telford on initiating the debate, and I hope to work with him and my hon. Friend the Member for the Wrekin in future.

Question put and agreed to.

Adjourned accordingly at twenty-one minutes to Seven o'clock.

House of Commons

Monday 17 January 2005

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State was asked—

Senior Sporting Appointments

1. **Tony Lloyd** (Manchester, Central) (Lab): If she will issue guidelines to sports governing bodies on the criteria to be used in assessing the fitness of individuals for senior positions. [208449]

The Minister for Sport and Tourism (Mr. Richard Caborn): Sport England does not issue guidelines to national governing bodies of sport for use in assessing the fitness of individuals for senior positions. This should be part of a governing body's own recruitment policies and procedures. However, Sport England has carried out fit-for-purpose reviews that have established a basis on which to provide a degree of assurance that governing bodies are indeed fit to receive public funds, and that includes human resources.

Tony Lloyd: I thank my right hon. Friend. Obviously, control of major sporting bodies, whether in the professional or amateur game, has enormous importance to the sporting public and the general community. Control of a company such as Manchester United, in which I have a small shareholding, would have an enormous impact. There are rumours of a takeover by Malcolm Glazer, who was described in the United States courts as a snake in sheep's clothing when he tried to take over Harley Davidson and who is being investigated by the Securities and Exchange Commission, so is hardly a fit and proper person to take on the governance of a football club. Can my right hon. Friend put a comment on the record that might dissuade Mr. Glazer from his predatory activities?

Mr. Caborn: I cannot comment on the description of Mr. Glazer, but I can assure my hon. Friend that the premier league and the Football League have taken significant strides recently to ensure that there is good governance and that they have fit and proper people on the board. He can be assured in that sense. Company law is now more stringent on the appointment of company directors, particularly concerning the Football Association premier league. I was pleased to read the statement by the chief executive of Manchester United, David Gill, when he said that any decision would take into account both present and future shareholders. That is important for a football club like Manchester United, which plays a tremendous role not just in the game, but in its community. That should be considered by any board that takes the decision.

Ian Lucas (Wrexham) (Lab): The former chairman of Wrexham football club, Mr. Alex Hamilton, described leading the club towards administration as

"the most fun I have had with my clothes on."

That was before the 10-point deduction that the club received from the Football League. He was deemed by the Football League to be a fit and proper person to run the club, but the population of Wrexham beg to differ. Will my right hon. Friend have further discussions with the Football League to impress on it that the current fitness-for-purpose test is not sufficient to protect football clubs, which are important community institutions? Football supporters need more support.

Mr. Caborn: I reiterate what I said earlier. Both the Football League and the premier league have taken steps recently to bring about better governance and regulation of the game. They have not got everything right and I think that they would accept that. However, the fact that Wrexham had 10 points deducted for going into administration is a step in the right direction and is a deterrent to trying to manipulate the situation, which would have been unfair to the other clubs in that division. I hope that we are getting better governance and regulation in all our sports, including football.

BBC

2. **Andrew Selous** (South-West Bedfordshire) (Con): What account she will take of standards of public decency in programmes screened by the BBC as part of her decision on whether to renew the BBC charter. [208450]

The Minister for the Arts (Estelle Morris): All aspects of the BBC's organisation, operation, funding and governance are being considered as part of the on-going BBC charter review. The mechanisms for securing appropriate programme standards fall within the scope of the review.

Andrew Selous: While I condemn the publishing of BBC executives' private addresses, does the Minister realise that many people do not consider it appropriate for public service broadcasting to use taxpayers' money to fund programmes such as "Jerry Springer—The Opera", which offend so many people? Does she realise that many licence payers do not believe that the BBC provides value for money in screening programmes that upset so many of our constituents?

Estelle Morris: Of course I accept that people throughout the country may have been offended, but people are offended when we have free speech. I would rather have free speech than try to legislate against people being offended.

What is broadcast or printed is not and never should be a matter for the Government. In our nation, which cherishes free speech—it is so important—there is a

legislative framework to which people can appeal, as they have done in this case. Both Ofcom and the BBC governors have that responsibility and no doubt will respond to concerns expressed by the public in due course.

Alan Howarth (Newport, East) (Lab): Is not it better that we choose our own infantilisms like real grown-ups, rather than be infantilised by the censor or even by my right hon. Friend herself?

Estelle Morris: My right hon. Friend is right. Heaven forbid that anyone should dictate what we can see, what we should listen to, or anything else. I would sooner run the risk of being offended than of having artistic performances denied to me.

Mr. Tim Boswell (Daventry) (Con): Does the Minister agree that although the independence of the BBC is important, and although I have not the slightest problem about the BBC giving offence over some tacky American programme, the screening of any programme that gives gratuitous offence to the Christian community or any of the great faiths prevalent in our land is a rather different matter? Does she, therefore, agree that a degree of self-restraint would be appropriate from the broadcasting authorities in that case?

Estelle Morris: What is broadcast is still a matter for the BBC, and that is absolutely fundamental, but because of the importance of free speech and artistic freedom, a legislative framework covers not only broadcasting but theatre and print as well, and it is against that framework that decisions should be made. As far as I am concerned, the BBC will look at the framework and it will make a decision about whether it should broadcast. That is a fundamental principle that in no circumstances should be crossed.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): This is a good time to remind ourselves that censorship is a dangerous thing for religions generally, especially minority religious views. Whether it be plays, books or operas on television, religionists would be ill advised to go down the road of censorship, not least because although I have not seen the "Jerry Springer" programme, having watched the play about it on the BBC the other week, my inclination would be to demonstrate against the makers of the "Jerry Springer" programme rather than against the BBC, which gave a strong moral message behind that play.

Estelle Morris: My hon. Friend is right. It is interesting that different perspectives can be brought to the issue. Most people of religious belief are well able to stick to their belief and defend it against those who criticise it or disagree. That is an article of faith, and many people who hold religious beliefs are happy to do so in the face of criticism.

Mr. Malcolm Moss (North-East Cambridgeshire) (Con): Following on from the Minister's response to my hon. Friend the Member for South-West Bedfordshire (Andrew Selous), is she aware that the BBC board of governors continues to argue that it has no role in pre-viewing material before broadcast and thus refused to intervene before the transmission of "Jerry Springer—The Opera", despite 50,000 complaints from the public? Given that the job of adjudicating complaints after broadcast has passed to Ofcom, the question arises as to what the point of the BBC governors is. Will the right hon. Lady make that a priority in the review of the BBC's charter?

Estelle Morris: I am amazed that the hon. Gentleman wants to give the BBC governors the power of censorship before something is broadcast. That is exactly what would happen if he had his way. What is clear is that there is not pre-viewing to censor what is broadcast, but that afterwards representations can be made. I am sure that the hon. Gentleman has looked at the range of measures that Ofcom can use if it finds that the boundaries have been crossed. To give BBC governors the power to watch what is broadcast, ahead of Ofcom and ahead of the public, and for the governors alone to decide whether the public are able to see it, would be censorship that is almost worse than the censorship we got rid of between 20 and 30 years ago.

Digital Broadcasting

4. **Mr. Derek Wyatt** (Sittingbourne and Sheppey) (Lab): When she expects to announce the completion date for digital switch-over. [208452]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): The Government will confirm the timetable once all the remaining issues relating to digital switch-over are resolved and we are satisfied that the interests of consumers, especially the most vulnerable, are well protected. The timetable will be set on the basis that it can be met by the broadcasters. The House will note—I have placed written statements to that effect—that the BBC and Ofcom estimate that the completion of switchover can be achieved by 2012.

Mr. Wyatt: I thank my right hon. Friend for that reply. I understand that Wales will be the first area to switch off—

Chris Bryant (Rhondda) (Lab): Switch over.

Mr. Wyatt: Sorry—switch over, not switch off.

Has my right hon. Friend considered that as the south-east is the business engine room for the whole United Kingdom it would be much more sensible for switch-over to be simultaneous for Wales and the south-east so that we could, as it were, make more wealth for the whole United Kingdom?

Tessa Jowell: We have made it clear that switch-off—*[Laughter]*—just checking whether Members are listening. We have made it clear that switch-over will take place on a region-by-region basis, and no decision has yet been taken about which region will be first. My hon. Friend may be confusing the switch-over with the

pilot exercise that is taking place, from which a lot is certainly being learned: it has been successful in demonstrating to sceptics the value of going digital.

Mr. Patrick McLoughlin (West Derbyshire) (Con): A number of my constituents are unable to receive any digital television at all. They very much resent having to pay the full TV licence. Why do they have to do that?

Tessa Jowell: That is precisely the reason why it is important to set a timetable for digital switch-over. Almost 60 per cent. of households have a digital television, and we are very close to the point where the hon. Gentleman's constituents will be left out from the opportunity to upgrade their televisions. That is why we are moving switch-over forward at our current pace, and why it is such a very important consideration in the review of the BBC's charter, to which reference has also been made.

David Cairns (Greenock and Inverclyde) (Lab): For as long as the days of analogue television are numbered, no new investment is going into upgrading the analogue network and analogue receivers, so people in Inverkip and Wemyss Bay in my constituency who cannot get analogue television, let alone digital television, have no prospect of getting a signal in the near future. Does that not indicate that we need to get a move on with digital switch-over, so that more effort is put into ensuring that those areas that cannot get an analogue signal can get a digital signal when the digital switch-over comes?

Tessa Jowell: All those are very good reasons why we need to get a move on with digital switch-over, and we are doing so.

Mr. Don Foster (Bath) (LD): In her answers in relation to digital television switch-over, the Secretary of State has just stressed the importance of a timetable, but is that not equally true of the switch-over to digital radio? Does she recall that, back in the summer, she said that she was considering a date for digital radio switch-over? Can she therefore explain to the House why her noble Friend the Minister for Media and Heritage said at the end of last year:

"We are not considering any timetable for that at all"?

Are the Government considering that, or are they not?

Tessa Jowell: At the moment, we have not yet got the figures for the number of digital radios that were given as Christmas presents, but far less than 10 per cent. of radios are digital, so digital radio is too new a technology—it is too new a domestic accessory—for us to be sufficiently confident about the rate of change to say that we will switch off the analogue radio signal. I am sure that, in future years, precisely the same consideration will be given to the future of analogue radio as in our broad decisions to switch off the analogue television signal, but the important thing is to keep pace with public demand and public enthusiasm for the change.

Mr. Tony Clarke (Northampton, South) (Lab): The role that free-to-air broadcasting plays in ensuring that the digital revolution can be shared by those on low incomes should not be underestimated, but can my right hon. Friend say why people in the middle of Northampton in NN1 and NN2 postcodes are still not able to receive free-to-air digital broadcasts? If we are to get people in those areas—many of them are on low incomes—to switch on, we need to ensure that the town in the centre of the country is not isolated and kept off the network; it needs to be on as soon a possible.

Tessa Jowell: The practical reason why my hon. Friend's constituents are unable to get free-to-air digital television is that we cannot increase the coverage of free-to-air services—freeview—until the analogue signal is switched off and the power of the transmitters is increased. All those considerations are part of the plan for digital switch-over to which I have referred.

5. **Miss Anne McIntosh** (Vale of York) (Con): What role the proposed public service publisher will have in delivering regional news programmes in relation to digital broadcasting. [208453]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): The establishment of a public service publisher was a proposal made by Ofcom in phase 2 of its public service television review. Ofcom has conducted a public consultation on all its proposals, and will publish its final conclusions in due course. Obviously, we in government will consider its recommendations very carefully.

Miss McIntosh: Although I thank the Secretary of State for that reply, it does not answer the question. I asked what role the public service publisher would play. Yorkshire Television, Tyne Tees Television and the other regional broadcast stations play an excellent role in fulfilling their public service obligations, and I cannot believe that this new body will add anything. Will she say what role it will play and who will pay for it?

Tessa Jowell: No, it is not yet possible to do that, because final decisions about the nature of the proposal have not yet been made. Ofcom has just completed the consultation on its phase 2 report in which this proposal for a public service publisher was made. My view is that the proposal merits further consideration, and I am sure that if the hon. Lady wishes to make representations to Ofcom on the basis of her regional experience, it will happily receive them.

David Taylor (North-West Leicestershire) (Lab/Co-op): If the Secretary of State means what she says when she refers to the priorities and importance of regional broadcasting—I am sure that she does—how does she think that those areas of the country that are near regional boundaries and that are unable to receive news broadcasting from the correct region will be in a stronger position when digital broadcasting is widespread and the relevant signals can be incorporated? For example, parts of the east midlands receive broadcasting only from the west midlands at the moment.

Tessa Jowell: There are two separate issues. The first is the technology and its capacity to extend the reach of free-to-view television. The second is the current debate about the nature of regional content. One of the

conclusions of the Ofcom review is public enthusiasm for even more very local regional content, particularly in news. Broadcasting and free-to-air broadcasting are a fundamental part of our democracy, and I hope that hon. Members will join in the debate about developing regional television that meets the needs and ambitions of their constituents.

Miss Julie Kirkbride (Bromsgrove) (Con): If the Secretary of State, who is in charge of broadcasting in the UK, cannot think of a role for the public service publisher, what is the point of having it? Surely it is just another excuse for Labour to spend other people's money.

Tessa Jowell: With respect to the hon. Lady, that is not the most original intervention. Ofcom has already set out the nature of the proposal, and it is consulting on it. It is then for it to come forward with a final proposal and in a due course—it is certainly not a proposal for the next three or four years—the Secretary of State will take a view on it.

2012 Olympic Bid

6. **Jim Knight** (South Dorset) (Lab): What discussions her Department has had on cultural activities linked to the 2012 Olympic bid. [208454]

The Minister for the Arts (Estelle Morris): In February 2004, my Department appointed Jude Kelly, one of the most respected people in contemporary British theatre, as chair of the culture and education committee for London's Olympic bid. Since then, in consultation with the arts community, she has developed an ambitious and exciting cultural programme for the 2012 Olympiad.

Jim Knight: I thank the Minister for her reply. The 1948 London games was the last time when medals were awarded for disciplines such as art and poetry, as an expression of the importance of the arts within the Olympic ideal. I am not suggesting that we return to that, but may I encourage her to maximise the opportunity of the cultural Olympiad to engage with the public beyond those interested in sport, and particularly in developing cultural exchanges as part of the Olympics with host venues such as Portland?

Estelle Morris: I am most grateful for my hon. Friend's comments. He is absolutely right. The Olympic ideal is about mind, body and spirit, and art and culture has a lot to contribute to that. When the candidate file is looked at and when the bid is closely examined, we will have every right to be very proud of the cultural part of the bid that the United Kingdom is putting forward. If we consider Sydney, we see that what is left of its cultural bid has served that community very well. I am grateful to my hon. Friend for his comments and for the support that he has given to the cultural bid in his constituency.

Simon Hughes (Southwark, North and Bermondsey) (LD): Can the Minister assure us that in the run-up to the selection date in July, let alone beyond, we are selling the point that London is the most cosmopolitan city in Europe and that every cultural community—the four British culture communities and all the others—is engaged as part of the support for the bid? It will be of huge benefit to us as a country and of huge benefit to each of those many, many, many tens of communities that are in this city already.

Estelle Morris: The hon. Gentleman is right. Indeed, my right hon. Friend the Secretary of State made that point at the conference that was held this morning. The strength of the bid is London at its centre, but it is important not to forget the impact that it will have on the rest of the nation. The diversity and richness of London's cultural activities only enhance the strength of the bid.

Mr. Hugo Swire (East Devon) (Con): Is the Minister aware of mounting concern about the cultural implications of the Government's plans to fund the Olympic bid? Even the Chairman of the Culture, Media and Sport Committee says that they are funding it by

"raiding the lottery and its good causes for something the Treasury might be expected to finance".

Does the Minister agree on reflection that my party's policy of putting £340 million of Treasury funds into the Olympics by forgoing lottery duty, which would avoid existing good causes such as arts and heritage losing up to £64 million a year, would be a fairer and more transparent way of funding the Olympic bid and the associated cultural events? When, therefore, will the Government commit themselves to funding the Olympics properly and guarantee the cultural sector that it will not suffer as a result of the games?

Estelle Morris: We have been grateful for the support of Opposition parties throughout the Olympic bid so far, but I understand that the hon. Gentleman is volunteering the Exchequer to fund it. It is absolutely right to get resources for the bid from several different sources, and I have no problem with the special lottery game for the Olympics that will be launched shortly. He is absolutely right that some parts of the arts sector might lose money in the long term, but that is only a guess. It may well be that more people will buy lottery tickets, which would mean that there would be sufficient money to support not only the Olympic bid, but the arts.

Sports Governing Bodies

8. **Mr. Andy Reed** (Loughborough) (Lab/Co-op): What steps she is taking to assist modernisation of national governing bodies of sport. [208456]

The Minister for Sport and Tourism (Mr. Richard Caborn): UK Sport has administered a modernisation programme since April 2001, which was designed to help national governing bodies of sport to become more efficient and effective in all aspects of their work. To date, Exchequer funding of £10 million has been made available to support a number of projects of differing size and complexity across a wide range of governing bodies. From April this year, the national governing bodies of UK-wide priority sports will be invited to embed their modernisation action plans in one-stop plans and will no longer be required to submit separate applications for modernisation funds.

Mr. Reed: I am grateful to the Minister for that reply. It is important for national governing bodies to modernise the way in which they deliver services and look after their athletes. Is he aware of the Loughborough sports project, which would enable many national governing bodies to come together to share services, especially back-room services? Will he comment, and perhaps write to me, to tell me how the bid from Loughborough is going and when we can anticipate receiving money from modernisation funds to match that which we have already secured in the region, especially from the East Midlands Development Agency?

Mr. Caborn: I congratulate my hon. Friend on his role in Loughborough and wider sports, because he is keen to ensure that the modernisation programme is carried forward. It is pleasing that several governing bodies are co-operating and coming together to consider how they can develop sport in a more holistic way. I hope that that will increase participation in sport, which we would all welcome. Of course the big four governing bodies are working together, but for the small and medium-sized governing bodies, I think that the suggestion from Loughborough is imaginative—he knows that I support it. Financing is a matter of priorities. I hope that the project can go ahead, but as I think he knows, the decision is one for Sport England.

BBC

9. **John Robertson** (Glasgow, Anniesland) (Lab): What progress she has made towards securing a new royal charter for the BBC. [208457]

The Secretary of State for Culture, Media and Sport (Tessa Jowell): The charter review process was launched in December 2003 and is continuing. It has been open and transparent throughout and has benefited for the first time ever from wide consultation with the public. There has also been consultation with the industry and in-depth research and advice from Lord Burns and his independent panel. I hope to be in a position to publish a Green Paper in the next two months.

John Robertson: I thank my right hon. Friend for her answer. She knows that the BBC's fair trading commitments are regulated internally. However, it has been suggested that that leads to a conflict of interest on occasions, especially regarding the value of the licence fee and getting a fair deal for the contributor or the supplier. There is also unnecessary bureaucratic expense. Does my right hon. Friend believe that external regulation of the BBC's fair trading commitments could solve that problem and, if so, will she consider it as part of the charter renewal?

Tessa Jowell: The answer to the last part of my hon. Friend's question is yes, for all the good reasons that he set out.

Mr. Peter Luff (Mid-Worcestershire) (Con): How does the Secretary of State think the BBC's claim for a new royal charter is enhanced by a programme such as CBBC's "Dick & Dom in Da Bungalow"? Perhaps, if she is not familiar with the programme, I can invite her back to my office to see the website, where she can join me in playing "How low can you bungalow?", a test to find one's response to grossly embarrassing personal situations, largely of a lavatorial nature. The right hon. Lady can also view "Pants Dancers in the Hall of Fame", which is photos of children with underwear on their heads, and play "Make Dick Sick", a game that speaks for itself. Finally, there is "Bunged Up", in which one plays a character in a sewage system, avoiding turtle poo coming from various lavatories. Is that really the stuff of public service broadcasting?

Tessa Jowell: It is the Government's job to develop a new charter for the BBC; it is then the BBC's job to determine standards of taste, decency and appropriateness.

Mr. John Grogan (Selby) (Lab): Does my right hon. Friend agree that there are many advantages in a 10-year BBC charter, rather than the five years being mooted in some circles, to span digital switch-over and allow the BBC to plan for public service broadcasting in the post-digital world, not least because it takes three or four years of production to get some programmes, such as the excellent Auschwitz documentary on BBC 2, from the ideas stage to broadcast?

Tessa Jowell: I certainly accept that there is weight in my hon. Friend's case.

Amateur Sports Clubs

10. **Mr. Clive Betts** (Sheffield, Attercliffe) (Lab): what support her Department offers to amateur sports clubs. [208458]

The Minister for Sport and Tourism (Mr. Richard Caborn): The community amateur sports club scheme provides such clubs with a relief of 80 per cent. on their non-domestic rates—mandatory rate relief—and gift aid on donations from individuals, as part of a package of benefits intended to promote community and grass-roots sport. I welcome the fact that more than 2,000 clubs have so far registered with the scheme and received an estimated total of £5 million in tax relief as a result.

I want to put on record my thanks to my hon. Friend, who moved the amendment to the Local Government Bill which brought about that fundamental change.

Mr. Betts: I thank my right hon. Friend for his answer. I welcome the fact that 2,000 clubs have signed up to the scheme and are receiving the benefits. However, I am sure that my right hon. Friend would accept that there are probably many thousands of clubs who are eligible for the scheme but are not getting the money because they have not applied, perhaps because they do not know that the scheme exists. Will he consider increasing and improving the publicity for the scheme, perhaps by launching a campaign involving

hon. Members on both sides of the house so that they can contact the clubs in their constituencies to make sure that they know about it and apply for it?

Mr. Caborn: That is absolutely right. I happen to have to hand one of the 10,000 leaflets, "Growing community sport", which we distributed to the national governing bodies only a few weeks ago.

Mr. Malcolm Moss (North-East Cambridgeshire) (Con): What a surprise.

Mr. Caborn: As my hon. Friend the Member for Sheffield, Attercliffe (Mr. Betts) pointed out, there may be 40,000 or more sports clubs in this country, and 2,000 of them are now receiving, year in and year out, £5 million of investment in grass-roots sport. Disappointingly, although the press hammered us daily, screaming for mandatory rate relief and support for sports clubs, when we wrote to every national newspaper three or four weeks ago asking it to broadcast the good news about the relief, not one word about it was printed. The Treasury has been very supportive of the move. I call on the national press and everybody in the House to make sure that every sports club in this country knows that there is money for the taking, week in, week out, year in, year out.

Alistair Burt (North-East Bedfordshire) (Con): Bearing in mind the difficulty of finding adults to come forward to lead young people's organisations of all sorts, including those involved in sports, will the Minister commend the activities of McDonald's, which has supported grass-roots amateur football to the extent of 140 coaches in Bedfordshire in recent years? Will he do all that he can to encourage more adults to come forward to lead young people's sporting organisations, and do away with all the unnecessary regulation which makes that so much more difficult?

Mr. Caborn: The hon. Gentleman makes a good point about trying to encourage more volunteers into sport and into voluntary work per se. Undoubtedly, there are some obstacles to volunteering, including some to which the House has agreed. For example, record checks to guarantee the protection of children are right and must be adhered to. However, other serious problems relate to insurance but, as the hon. Gentleman knows, together with the insurance industry, we are trying to find solutions to that. My right hon. Friend the Chancellor of the Exchequer has instigated a review of volunteering, through Ian Russell. I hope that his report will be out in the next few weeks, and that will give us a platform for debate. Most hon. Members want to encourage more people to volunteer. Of all volunteers, 27 per cent. are in sport, and without them grass-roots sport would not exist.

Mr. Dennis Skinner (Bolsover) (Lab): Is my right hon. Friend aware that in Bolsover they are ready, willing and able to start an amateur swimming club, and they would probably get a grant? We would provide Olympic and Commonwealth swimmers before my right hon. Friend could can bat an eye. The trouble is we have not got the swimming bath yet, so will he meet representatives of Sport England to get the money from the lottery, to get the bath, and then the show will be on the road?

Mr. Caborn: With the guarantee of Olympic swimmers coming out of Bolsover, how can we refuse such a request? As my hon. Friend knows, we are working with the authorities to try to get investment for a 25 yd swimming pool, and we will continue to do so. I hope that the result will be positive.

Mr. John Whittingdale (Maldon and East Chelmsford) (Con): Is the Minister aware that amateur sports clubs up and down the country face enormous extra bills as a result of the new fees proposed under the Licensing Act 2003? Is he further aware that his predecessor, the hon. Member the Member for Pontypridd (Dr. Howells), explicitly said in Committee that the Government intended to accept our proposal that voluntary sports clubs should not have to pay more than a 10th of the amount paid by commercial organisations, and that the Government have now betrayed that commitment?

Mr. Caborn: I have just said to the House that amateur sports clubs that want money from the Revenue can qualify for mandatory rate relief; people tell me that they have been asking for that for 30 years. There is also gift aid and other tax breaks available to clubs under the CASC scheme. In fact, those options offer far more money to clubs than the hon. Gentleman's suggestion. He does not know what the licensing fees will be, because they have not been announced yet. I hope that that announcement will be made in the next few days. Any sports club running a bar for profit, which rightly brings money into the club, will find that those fees will be small, and so easily absorbed in the running costs and by the prices of the products sold. The gains for amateur sports clubs under the CASC scheme far outweigh any cost that we will introduce through licensing.

Mr. Whittingdale: The Secretary of State said on Second Reading that she was

"absolutely determined"

that the Licensing Bill would be

"welcomed by sports clubs, large and small". —[*Official Report*, 24 March 2003; Vol 402; c. 53.]

The Central Council of Physical Recreation, which represents those clubs, has said that the new fees

"risk devastating the entire country's sporting landscape".

It says that it has been inundated by correspondence from clubs that risk losing vital income that helps to keep their organisations alive. Will the Government withdraw the proposed fee levels and honour the commitments that they gave?

Mr. Caborn: We consider every word that is said by organisations that represent sports clubs, but only 2,000 clubs have applied for the CASC scheme, out of a possible 40,000. In one year, those 2,000 clubs have received £5 million. At least the CCPR has been one of the more active bodies in promoting the scheme. There is money waiting to be collected by the other 38,000 sports clubs from mandatory rate relief and other

tax breaks, especially gift aid, but they have not applied for it. The governing bodies, the CCPR and others should be ensuring that those 38,000 clubs apply. The proposed liquor licensing fees can be absorbed easily into the bar prices or running costs of clubs.

Community Sports Initiatives

11. **John Mann** (Bassetlaw) (Lab): What recent representations she has received on funding for community sports initiatives. [208459]

The Minister for Sport and Tourism (Mr. Richard Caborn): The Department receives a range of representations on funding for community sports initiatives. By 2006, the Government will have committed more than £1 billion to the development of sports facilities through the New Opportunities Fund for PE and sport, the community club development programme, Space for Sport and Arts, Active England and the Football Foundation. I will place a full update on our sports facilities programmes in the House of Commons Library within the next few days.

John Mann: Does the Minister agree that there is no better way than sport to combine social inclusion, healthy living and increased aspirations? If he does, does he also agree that we need even more flagship community sports projects, particularly in coalfield communities?

Mr. Caborn: Very much so. I commend my hon. Friend for the initiatives that he has promoted in Bassetlaw and his efforts to develop such projects around coalfield communities. Let me put on record the fact that of the 4,000 initiatives that are getting the investment that I mentioned, 1,000 are now on site, 1,200 have been completed—contrary to what some Conservatives have been saying—and £203 million has been spent on the schemes. A further 2,000 are yet to be completed.

Mr. John Bercow (Buckingham) (Con): Separate from the funding available from the Government, would the Minister describe as generous, mean or middling the financial support available for young people to play tennis from the principal beneficiary of the profitability of the Wimbledon championships—namely, the All England club?

Mr. Caborn: I think that about 50 per cent. of the profits from Wimbledon go into the grass-roots sport. The new strategy presented by the Lawn Tennis Association is most welcome and I am hopeful that, combined with the new grass-roots developments that are taking place, we will see a renaissance in tennis in this country. It was disappointing that we did not get one woman tennis player through the first round at Wimbledon last year, but I believe that the LTA's work in grass-roots development and the investment by the All England club of between £17 million and £20 million a year from the proceeds of the Wimbledon championships will reap rewards.

Mr. Peter Pike (Burnley) (Lab): On Saturday, I went to see Daneshouse football club at Daneshouse community centre be presented with some kit by Barclays bank. Does my right hon. Friend agree that, in many ways, that type of support for community grass-roots sports by commercial enterprises provides better value than some of their high-profile sponsorship?

Mr. Caborn: I agree. Barclays has now invested through the Football Foundation some £30 million over the next two to three years. In addition, the bank is now working with Groundwork—the regeneration organisation—which has several flagship projects that will be up and running within the next 12 to 18 months. Helped by Barclays' investment with the Football Foundation, which receives £60 million a year, and its work with Groundwork, the campaign is reaching into inner-city areas where sport is needed to encourage young people to become more active and to drive our social inclusion agenda.

Darts

13. **Bob Russell** (Colchester) (LD): Whether it is her policy to support darts being recognised as a sport. [208461]

The Minister for Sport and Tourism (Mr. Richard Caborn): Decisions on whether particular activities and pastimes should be recognised as sports for official and funding purposes are made by unanimous agreement between the sports councils. I understand that the sports councils keep the matter under constant review, but I was pleased to see today that darts has signed up to UK Sport's anti-drugs code, which I welcome.

Mr. John Greenway (Ryedale) (Con): What about drink?

Mr. Caborn: To the best of my knowledge, alcohol is not covered by UK Sport's anti-drugs code. I hope that, in the light of that development, the sports councils will give more serious consideration to bringing darts into the family of sport.

Bob Russell: If the Prime Minister said that he would like darts to become a recognised sport, would the Minister for Sport and Tourism throw a wobbly? Will he make a 180° turn, and throw his full weight behind the campaign to make darts a recognised sport, as millions of players and supporters already believe that it is a sport?

Mr. Caborn: How much further can I go than say that I welcome darts signing up to the UK anti-drugs code? I hope that the devolved Administrations in Scotland, Wales and Northern Ireland, their sports councils and their English counterparts will consider bringing darts into the family of sport, whether the Prime Minister did, or did not say that he wanted that to happen.

ELECTORAL COMMISSION

The hon. Member for Gosport, representing the Speaker's Committee on the Electoral Commission, was asked—

Electoral Registration

21. **Mr. Robert Syms** (Poole) (Con): How much money the Electoral Commission is spending on encouraging British citizens who are living abroad and are entitled to vote in general elections to register to vote. [208469]

25. **Sir Sydney Chapman** (Chipping Barnet) (Con): What discussions the Electoral Commission has had with businesses on encouraging their workers who are living abroad and eligible to vote in UK elections to register to vote. [208473]

Mr. Peter Viggers (Gosport): I understand that the Electoral Commission undertakes a range of activities aimed at encouraging eligible British citizens living abroad to register. It expects to spend approximately £38,500 during late 2004 and early 2005 on those activities, which include specific initiatives such as advertising and leaflet provision. As for contacting businesses with employees overseas, the Department of Trade and Industry has advised the commission that the most appropriate route is via the Foreign and Commonwealth Office. The commission continues to pursue that route, and has also approached the Confederation of British Industry.

Mr. Syms: I am a little disappointed that the commission only spends £38,500 on advertising abroad. There are 15 million British citizens abroad, including many hundreds of thousands who live on the various Costas. A greater effort ought to be made so that they can exercise their democratic rights. I understand that a leaflet is being produced, so will my hon. Friend ask the commission to place it in consulates and embassies as soon as possible? If the Prime Minister were to panic and go in May, the cut-off date for registration would be 1 March, so February is an important month for people who want to register and exercise their democratic rights.

Mr. Viggers: I can reassure my hon. Friend that the Electoral Commission has indeed produced leaflets, and that they will be available from overseas posts. That is certainly in hand. He is right to emphasise the paucity of the overseas registration. When I last answered questions in the House, I reported that only 14,496 people overseas were registered from a total of about 15 million. However, the Office for National Statistics told me today that only 7,850 people overseas are registered, including 25 from the borough of Poole. There is indeed a very long way to go, and we all have a duty to encourage overseas registration.

Sir Sydney Chapman: I am old enough to remember that the turnout at the 1950 election was 84 per cent., but at the last election it was under 60 per cent. Surely the Electoral Commission's principal objective should be to encourage as many people as possible who are entitled to vote to do so. What proportion of the 15 million people who live and work abroad are entitled to vote?

Mr. Viggers: The Electoral Commission does not have a figure for proportion of the 15 million overseas who are entitled to vote. The qualification, of course, is that they should have been on the register within the last 15 years, but the commission does not have an easy way of ascertaining how many people would qualify. I am sure that my hon. Friend is conscious of the fact that only 57 people from the borough of Barnet, in which his constituency is located, have registered overseas, again proving that there is a long way to go.

Chris Bryant (Rhondda) (Lab): Would not it make much more sense to allow the 500,000 British citizens who live in Spain and pay taxes there to register to vote in Spanish elections? Similarly, we should allow Spaniards, Italians, French and German people—all members of the European Union—who live in this country and pay taxes here to vote in the UK. Should it not be a question of no representation without taxation?

Mr. Viggers: That is a different point, which I think that I should not pursue today.

Mr. Andrew Love (Edmonton) (Lab/Co-op): Perhaps the hon. Gentleman will not be concerned that I am much more worried about the many more people who are missing from the register in the United Kingdom rather than those who are abroad. Large numbers of people are missing from the register in my constituency, partly because of the inadequate annual canvass that is carried out by my local authority—

Mr. Speaker: Order. We are on questions now. Perhaps the hon. Gentleman will be able to catch my eye later.

22. **Mr. Graham Allen** (Nottingham, North) (Lab): What plans the commission has to recommend that electors be permitted to register closer to the date of a general election. [208470]

Mr. Peter Viggers (Gosport): The commission recommended in 2003 that electors should be permitted to register much closer to the date of an election than is currently allowed by law. The Government announced last month that they intend to act on the commission's recommendations.

Mr. Allen: I welcome that reply. Like the experience of many Members, the turnout of my electorate at the last election was the lowest ever at under 50 per cent.

Will the hon. Gentleman commend the campaign by the Electoral Commission to encourage people to vote following last year's campaign? Will he consider the possibility of extending that to ensure that more people register for the forthcoming election? Will he also ensure that every possible encouragement is given to individuals to register, if possible, as late as the same day as an election, as they do in many states in the United States? That means that people can register at one door of the town hall and vote in the election at the next door.

Mr. Viggers: The commission takes the view that it would not be practical or of great benefit to allow registration up to the date of the election, but it recommends that that date should be carried back to the date of nominations.

As for the hon. Gentleman's point about publicity, I understand that the commission is about to embark shortly—in early February—on a multi-media campaign aimed at encouraging people to register to vote. There has been some speculation already this afternoon that if there were to be an election in May, something about which I have no special knowledge, the cut-off date would be 11 March. It is important that people should register without delay.

The commission's similar campaign during the last election achieved excellent results, with about one in three correspondents who had seen the advertising saying that they had voted on 10 June as a result of the campaign. The commission is encouraged by that.

Mr. Andrew Robathan (Blaby) (Con): Regarding a later date for registration for elections, does my hon. Friend share my real concern about the collapse in the number of service personnel registered to vote? Does he agree that there needs to be a determined campaign by the Ministry of Defence to encourage them to register so that the brave men and women who are serving overseas, often in dangerous circumstances, are able to register before we have an election, which is likely to be in May?

Mr. Viggers: My hon. Friend may have noticed a reply to my hon. Friend the Member for Salisbury (Mr. Key) on 10 January, in which the Government announced that there would be a Defence Council initiative, which would be taken shortly, to encourage service personnel to vote. My hon. Friend is on to an extremely good point. As I have said before in the House, I am perhaps more likely to be concerned about this issue than most as the number of service voters registered in the borough of Gosport has fallen from 4,370 in 2000 to 474 in 2004. I think we all should be concerned about that.

Sir Patrick Cormack (South Staffordshire) (Con): Have Ministers given the Electoral Commission any indication when they will implement that recommendation? Have the Government pledged to do so before the next general election or have they just said that it will happen at some time?

Mr. Viggers: The Government have said that the recommendation will be implemented as soon as possible but that it would require primary legislation. I think that it is most unlikely that it will be before the election, whatever the date of that.

PUBLIC ACCOUNTS COMMISSION

The Chairman of the Public Accounts Commission was asked—

IT Projects

23. **Sir Archy Kirkwood** (Roxburgh and Berwickshire) (LD): What assessment has been made of the resources available to the National Audit Office to undertake appropriate inquiries into the future procurement of major departmental IT projects. [208471]

The Chairman of the Public Accounts Commission (Mr. Alan Williams): The National Audit Office already examines IT programmes and projects as part of the annual programme of value-for-money studies. The cost implications of the NAO's work are reflected in the resource bids submitted by the Comptroller and Auditor General for consideration by the Public Accounts Commission. The commission will be examining the NAO's bid for 2005–06 at its meeting on 27 February.

Sir Archy Kirkwood: I am grateful to the right hon. Gentleman for that answer and commend the work that he and his fellow commisioners do through the National Audit Office and the Public Accounts Committee, keeping the House informed of historic analyses of public expenditure, which is vital. He has a great deal of experience in this field. Has he any suggestions as to how the House could be better informed about future spend, particularly on ICT projects, which have huge cost implications, as they roll out? The value of the NAO reports and the Public Accounts Committee's valuable work is too historic for the House to be sure that it is keeping in touch with what is happening in some of the big projects currently being rolled out.

Mr. Williams: As the hon. Gentleman well understands, the investigatory role that the NAO carries out on behalf of the House must inevitably be retrospective. In order to retain the independence of that scrutiny, it is important that the NAO does not get involved at too early a stage. Let me report on what I think is a hopeful development, though not yet an achieved result. In November, the Office of Government Commerce appeared before the Public Accounts Committee and outlined to us a programme of gateway reviews—key stage reviews—of IT projects across virtually all Departments. When a project is in trouble, the gateway is graded red and the project does not progress until it has been examined. I suggested at that meeting that the National Audit Office should be notified as soon as a project is classified red, and that the NAO should be able to recommend it to us. A couple of

weeks later we had the Ministry of Defence before us, which does not operate quite the same system as the OGC, but has a system of its own. I put the same question to the MOD, which has agreed to speak to the NAO, and I am hopeful that we will be able to develop some sort of early warning system in our next report.

Mr. Edward Leigh (Gainsborough) (Con): Does the right hon. Gentleman agree that the question is useful and pertinent, because it underlines the central importance of IT to the political debate? For instance, in the debate on identity cards there was very little mention of the fact that there are huge discussions about whether the costs will range from £1.1 billion to £3 billion, which is the Government's estimate, or £5 billion, which is the estimate of others, solely because of IT. To give reassurance to the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood), on Wednesday this week the NAO is publishing a report on patient choice—again, central to the policy debate. The cost of that and its effectiveness will depend crucially on IT. The question underlines the importance of the subject.

Mr. Williams: May I agree with the hon. Gentleman in his agreeing with me?

Mr. David Heath (Somerton and Frome) (LD): I agree, too. The learned society, the British Computer Society, offered to give advice to the Government some years ago—an offer that was refused. Is it possible to take up the offer on behalf of the commission and the National Audit Office, to provide expert advice on the construction of IT projects? Could the Home Office be under continual review in that respect, as it is the author of the most spectacular failures of IT and has still not implemented a requirement of section 39 of the Firearms (Amendment) Act 1997 to set up a central register of holders of shotgun and firearms certificates? That was introduced seven years ago and not a single operation or programme has been constructed.

Mr. Williams: It is for the NAO to decide which reviews it undertakes. It is independent in the pure sense of the word and it is essential that it remains so. However, I shall draw to the attention of the Comptroller and Auditor General the points that the hon. Gentleman made.

ELECTORAL COMMISSION

The hon. Member for Gosport, representing the Speaker's Committee, was asked—

Electoral Registration

24. **Mr. Harry Barnes** (North-East Derbyshire) (Lab): Whether the Commission plans to make proposals for further developing the facilities for rolling electoral registration. [208472]

Mr. Peter Viggers (Gosport): The commission has recommended changes in the law enabling voters to register closer to polling day, and the piloting of online and telephone registration. The Government indicated last month that they intend to act on the commission's recommendations with regard to registering closer to polling day, and will give further consideration to the development of online and telephone registration.

Mr. Barnes: That is a welcome reply. Is not one of the shortcomings of the otherwise progressive move towards rolling electoral registration that it tends to depend on people who have moved home transferring their registration? The last thing that people have on their mind when they move home is electoral registration. The time when they will have it on their mind is when an election is called. That is when they need an opportunity to change their registration through rolling electoral registration so that they can vote in the place they have moved to.

Mr. Viggers: The House always listens to the hon. Gentleman with interest because he does not so much follow this subject as lead it, and many of the details in his private Member's Bill in 1993 have become law. Yes, the Electoral Commission agrees with the thrust of the hon. Gentleman's question. It believes that it should move to individual registration in the longer term, but certainly it should move to registration nearer to the date of the election. However, as I have explained in an earlier question, it is most unlikely that this will be implemented before the election because it will require primary legislation.

Point of Order

3.30 pm

Mr. Tam Dalyell (Linlithgow) (Lab): On a point of order, Mr. Speaker. At the risk of irritating you, may I ask whether you have had a request from either the Foreign Office or the Ministry of Defence to make some kind of report to the House on the impact of the continuing violence on the elections that are to take place very soon? Apparently, journalists are holed up in the green zone and unable to go out and see what is happening on the streets of Baghdad. I know that it is irritating to go back to this subject, but it is desperately important.

Mr. Speaker: The Father of the House is never irritating, he is just persistent. He asked this morning for an urgent question on this matter and I refused him, but perhaps the Ministers concerned will have heard his plea.

BILL PRESENTED

CROWN EMPLOYMENT (NATIONALITY)

Mr. Andrew Dismore, supported by Ms Karen Buck, Mr. Iain Coleman, Mr. Andrew Love, Tony Wright, Sir Sydney Chapman, Linda Perham, John Austin, Mrs. Annette L. Brooke, Keith Vaz and Mr. Stephen Pound, presented a Bill to make provision for and in connection with the removal of general restrictions as to nationality which apply to persons employed or holding office in any civil capacity under the Crown; and for connected purposes. And the same was read the First time: and ordered to be read a Second time on Friday 13 May, and to be printed. Explanatory notes to be printed [Bill 40].

Orders of the Day

Constitutional Reform Bill *[Lords]*

[Relevant documents: Twenty-third Report from the Joint Committee on Human Rights, Session 2003–04, Scrutiny of Bills: Final Progress Report, HC 1282; First Report from the Constitutional Affairs Committee, Session 2003–04, HC 48, on Judicial Appointments and a Supreme Court (court of final appeal), and the Government's response thereto, Cm 6150.]

Order for Second Reading read.

The Minister for the Arts (Estelle Morris): I have it in command from Her Majesty the Queen to acquaint the House that Her Majesty, having been informed of the purport of the Bill, has consented to place her prerogative and interest, so far as they are affected by the Bill, at the disposal of Parliament for the purposes of the Bill.

Mr. Speaker: I inform the House that I have selected the amendment in the name of the Leader of the Opposition.

3.32 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. Christopher Leslie): I beg to move, That the Bill be now read a Second time.

I am pleased that, after much debate and discussion in the other place, the Bill has at long last come to the House of Commons. I shall address the details of the Bill in due course, but we must not neglect the fundamental principles driving the reform, namely, the need to modernise our constitution so that our institutions can serve the public in a clearer, more transparent and more effective manner; so that our courts and justice system can be administered by a full-time Minister clearly accountable to Parliament; and so that the relationship between the three arms of the state—Parliament, the judiciary and the Executive—is settled, clarified and easier to understand, in turn making each better fitted to carry out its vital roles in a modern democracy.

The Bill therefore proposes the reform of the office of Lord Chancellor, removing the blurred lines between political and judicial functions, so that the post holder, as a full-time Cabinet Minister, can concentrate on the administration of the justice system, no longer sitting as a judge, and we hope no longer tied to the Woolsack in the other place as its presiding officer. The Bill sets up a new judicial appointments commission, an independent body responsible for selecting our judges in the future, and it creates a new supreme court, putting beyond any doubt the independence from politics and the legislature of the highest appellate court in the United Kingdom. There will be a clearer separation of the powers of Parliament, the judiciary and the Executive, and greater confidence in the shape and nature of each branch of our constitution.

Sir Patrick Cormack (South Staffordshire) (Con): It would be appropriate if the hon. Gentleman could tell us at this stage what these changes will cost.

Mr. Leslie: The hon. Gentleman must wait for that section of my speech, when I shall be happy to elaborate on that particular matter—I know that he will wait patiently.

[Mr. Leslie]

There has been wide consultation on the reforms. Many academics and observers of our constitution have long called for a properly independent judicial appointments process and a separate supreme court for the UK. The Lord Chief Justice and members of the senior judiciary support the Government, and a Select Committee of the House of Lords has meticulously scrutinised the Bill.

Mr. Dominic Grieve (Beaconsfield) (Con): I am startled to hear that the Lord Chief Justice supports the Government. I recall the Lord Chief Justice saying that, given the constitutional crisis that the Government precipitated by announcing their back-of-the-envelope changes in summer 2003 without any consultation, certain aspects of the Government's proposals—in particular, the concordat, on which the Lord Chief Justice insisted—make the best of a bad job.

Mr. Leslie: That is not a correct representation of the Lord Chief Justice's views. A lot of time has passed since the Bill was introduced—as I have said, it was debated at length in the other place—and the robust package of measures has wide support, including from members of the senior judiciary. We have responded to the long debate in the other place and have accepted a number of changes.

Mr. Graham Allen (Nottingham, North) (Lab): Will my hon. Friend have no truck whatever with the argument that this is a Johnny-come-lately policy? It is more than 12 years since the party of which we are members agreed the basic points in the package. Some of us think that the process has taken far too long to come to fruition, rather than its having been done on the back of an envelope in the past 18 months.

Mr. Leslie: My hon. Friend makes the reasonable point that the measures are fundamental and overdue. They are important, in so far as they help to clarify the relationship between the different branches of our constitution.

Mr. John Gummer (Suffolk, Coastal) (Con): Would it not have been easier to maintain the position described by the hon. Member for Nottingham, North (Mr. Allen) if the announcement had not been made before any consultation had occurred and had not been seen as a fudge? If we were starting afresh, one might believe in the process, but not after the Prime Minister made such a faux pas in the first place.

Mr. Leslie: All good ideas have to start somewhere. This one started with the announcement by the Prime Minister, which subsequently resulted in numerous consultation papers and a lengthy consultation process. The process in the other place was even longer and involved accepting a number of changes to the Bill.

Vera Baird (Redcar) (Lab): This point relates to the argument advanced by the hon. Member for Beaconsfield (Mr. Grieve): on Second Reading, the Lord Chief Justice referred to the Bill as

"a piece of great reforming legislation",

and said that

"it will rank in importance with the great constitutional instruments of the past."—[*Official Report, House of Lords*, 7 December 2004; Vol. 655, c. 759.]

Mr. Leslie: My hon. and learned Friend always has the facts at her fingertips, and I am grateful for that quote.

We have reflected on the consideration of the Bill in the other place and have accepted a number of changes. The Government accept the decision of the House of Lords on the retention of the title and formal office of Lord Chancellor. Whether the post holder is called "Secretary of State for Constitutional Affairs" or "Lord Chancellor", or whether he has both titles, is not a matter of great significance. What matters most is the substance of the post, the nature of the job and whether the position is reformed so that the post holder's duties are no longer contradictory.

If the role of the head of the judiciary can pass to the Lord Chief Justice, and with it many of the judicial functions incompatible with the role of a political Cabinet Minister, then the office of Lord Chancellor can continue, but in that substantially reformed way. The Bill continues the office of the Lord Chancellor, but in a significantly altered and more appropriate form.

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): Does the Minister recall that the Constitutional Affairs Committee indicated that the important point is that the office of Lord Chancellor, which it felt should continue at least for the time being, should be in position firmly to assert and protect judicial independence, particularly when senior Ministers might appear to impair and threaten it, and that the post holder must therefore be someone of considerable seniority who is not looking for further promotion?

Mr. Leslie: I shall comment later on the other protections that we have added, with particular reference to the office of Lord Chancellor and the holder of that ministerial office. We have managed to strike the right balance in having flexibility for the Prime Minister in making appointments while enshrining the independence of the judiciary in its relationship with that post.

Mr. Grieve: I, too, commend the parts of the Lord Chief Justice's speech on Second Reading that the hon. and learned Member for Redcar (Vera Baird) commented on, which dealt with the concordat and the manner in which the Government had carried out their proposals. Can the Minister provide reassurance that the Government will preserve the substance of the amendments on the Lord Chancellor that were drafted in another place to ensure that we retain not only the Lord Chancellor's name in carrying out the functions of the Secretary of State for Constitutional Affairs, but the added protections of his sitting in the House of Lords and being a lawyer?

Mr. Leslie: I may be giving way a little too often, because I was about to come to that. Perhaps that is something that I can learn for the future.

Before dealing with the hon. Gentleman's question, I want to restate why these reforms are necessary. Under the current system, the Lord Chancellor holds potentially conflicting judicial and political roles, and sole responsibility for the whole judicial appointments process. In our view, it is no longer appropriate for a Government Minister to have such unfettered discretion in the appointment of judges. The Lord Chancellor also holds a number of outdated, inappropriate and anachronistic functions. Reform of the office will enable that Minister to focus on his and the Government's main priority—the delivery of essential public services.

The Bill gives all Ministers—particularly the Lord Chancellor—and those responsible for matters relating to the judiciary and the administration of justice a statutory duty to uphold the independence of the judiciary. It ends the Lord Chancellor's judicial functions and ensures that his responsibilities for the judiciary are exercised under new transparent statutory arrangements with the Lord Chief Justice.

Mr. Edward Garnier (Harborough) (Con): Will the Minister give way?

Mr. Leslie: I wanted to turn to the detail of the Bill, but I shall give way to the hon. and learned Gentleman before doing so.

Mr. Garnier: The Minister says that the Government want to modernise the operation of the judicial appointments system and make it transparent. Why then did the Lord Chancellor for the transitional period, as he likes to call himself, appoint his pupil master as president of the family division?

Mr. Leslie: We have to operate under the law as it stands, but we want to reform it. The hon. and learned Gentleman argues rather perversely that he does not like the existing system yet wants to retain it. I am not sure that he is striking the right chord.

Keith Vaz (Leicester, East) (Lab): I congratulate the Minister and the Lord Chancellor on listening to many people's concerns about the initial package that was put before both Houses last year and on adopting several of the changes. How can he ensure that the Government's commitment to equal opportunities—the Lord Chancellor is of course very committed to equal opportunities—will be transferred to the new judicial appointments commission, since the commission is under no obligation to accept what the Lord Chancellor has said?

Mr. Leslie: As a broader, wider and more diverse body, a judicial appointments commission for England and Wales will have a positive and beneficial impact on the diversity of the appointments that it makes and the range of persons from whom it can select, notwithstanding that all appointments are obviously made solely on the basis of merit. I shall come to some specific points on diversity later.

Vera Baird: Will my hon. Friend give way?

Mr. Leslie: I want to make a little progress first.

Part 1 concerns the rule of law and was added in the other place. The provisions ensure that nothing in the Bill adversely affects the constitutional principle of the rule of law. In making these changes, it is important that we do not lose the principles that have served us well in the past. The rule of law is one such area, and the new provisions improve and enhance the Bill.

Part 2 relates to reform of the office of Lord Chancellor. Throughout the Bill's passage in the other place, peers felt extremely strongly about the retention of the title of Lord Chancellor. Amendments were therefore made to facilitate that. As I said, although we believe that our original intention to abolish the office was well founded, we accept that many attach a symbolic value to the title. The Government do not feel that retaining the office and title of Lord Chancellor significantly affects the substance of our reform objectives, so we can accept that change.

Let me deal with the question about the insistence of the other place that the person who holds the office of Lord Chancellor must be a Member of the House of Lords and must have either held high judicial office or been a practising lawyer for at least 12 years. Given the substantially reformed nature of the post, we firmly believe that there is no longer any fixed requirement for the Lord Chancellor always to be a peer and a lawyer.

A Prime Minister should be able to appoint the best person for the job, whether they sit in the House of Lords or the House of Commons, rather than having a restricted choice. It would be perverse deliberately to prevent a person from holding a purely ministerial post simply because they were an elected representative. There will no longer be a need for the office holder to be a peer. Given that the Lord Chancellor is responsible for nearly £3 billion of public expenditure, it is surely reasonable that in future a Prime Minister can appoint a candidate who is capable of being held accountable to either House of Parliament, not just one House.

Chris Bryant (Rhondda) (Lab): Historically, one of the requirements for the Lord Chancellor is that he is not a member of the Roman Catholic Church. Will that requirement remain or change? Why is the Lord Chancellor's oath, unlike the oath in this House, given in only a theistic way? Perhaps a future office holder might not have a religious faith.

Mr. Leslie: On the detailed second point, I understand that the Oaths Acts allow for affirmation and so on. Although the Bill does not deal with that, other legislation does. On the first point, the Bill does not make the change about which my hon. Friend asked, but perhaps he can raise the matter at a later stage of its passage.

Sir Patrick Cormack: If the Government insist on removing the amendment that the House of Lords has inserted, how can they guarantee getting the measure through before the election?

Mr. Leslie: As the hon. Gentleman's party knows, there are no guarantees in politics. If the House of Commons decides to overturn the amendment, it would not be wise for the House of Lords to insist on it, but that is a natural part of the to-ing and fro-ing of the legislative process.

[Mr. Leslie]

On whether there should be a condition such as being a peer or a senior lawyer, the Lord Chief Justice, speaking for the judiciary as a whole, has made it clear that a Minister from either House could perform the functions of the new Lord Chancellor post. The Lord Chancellor will not be a judge and no more needs to be a lawyer than the Secretary of State for Health needs to be a doctor or the Chancellor of the Exchequer needs to be a qualified accountant.

Legal qualifications are not an essential requirement for a ministerial post that will in future act on recommendations from an independent judicial appointments commission, whose job will be to weigh up candidates' precise legal abilities. The Government will also have the Attorney-General to call upon for any advice on legal questions.

Mr. Grieve: I accept that there will be a judicial appointments commission. Indeed, it is the one aspect of the Bill that I am broadly happy to welcome. If the Bill had been confined to that, I would welcome it even more. However, the Under-Secretary will acknowledge that it retains important powers for the new Minister both in making a final selection and in maintaining links with the judiciary to initiate work by the judicial appointments commission in selecting new judges. In those circumstances, is not the other place correct to insist that the Lord Chancellor should be a unique Minister and not simply any Minister?

Mr. Leslie: The Lord Chancellor will be a unique Minister and will have several protections, as set out in the Bill. However, I am not convinced that that extends to the absolute requirement that the Lord Chancellor must be a senior lawyer and a peer. There are no especially strong arguments given the new nature of the ministerial post. The Government will therefore seek to remove the requirements so that the Prime Minister's choice of office holder will not be so restricted.

The time has come for a more appropriate senior structure for our judiciary. The Bill establishes the Lord Chief Justice rather than the Lord Chancellor as the head of the judiciary in England and Wales. We will introduce amendments to provide similar provisions for the Lord Chief Justice in Northern Ireland.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): I hesitate to get involved in this, because I must be one of the few non-lawyers in this place—[HON. MEMBERS: "No!"] Oh, I am glad that some other peasants have got in by accident. Is my hon. Friend the Minister using the theory behind private finance initiatives, which works on the assumption that because someone knows nothing about a particular profession, they should automatically be put in charge of it? Or am I misinterpreting what he is doing?

Mr. Leslie: I am not a lawyer either, but I think that having a fresh perspective on a particular responsibility is sometimes a benefit, rather than a disadvantage. There are pros and cons on both sides of this argument, but we do not feel that the post-holder should be tied to one particular qualification. That would not be justified by the nature of the new ministerial post.

The Bill also makes new arrangements for many of the statutory functions of the Lord Chancellor that relate to the judiciary. These will either be transferred to the Lord Chief Justice completely, or be exercised jointly with the Lord Chief Justice, with requirements for consultation or concurrence between them and their counterparts in Scotland and Northern Ireland as appropriate. This division of responsibilities was agreed between the Lord Chancellor and the Lord Chief Justice and is known as the concordat. Reflecting on this historic agreement, the Lord Chief Justice has commented that:

"The judiciary considers that the parts of the Bill that reflect the concordat are a highly desirable package of measures designed to ensure the continued independence of the judiciary."

He added that he

"would consider it an unsatisfactory situation if the present position were left in place."

The concordat was presented to Parliament on 26 January last year, and amendments to the Bill were tabled by the Government in the other place to reflect that agreement.

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): The Minister referred to the "continued independence of the judiciary" being maintained. It is independent now. What is the point of this Bill, if we already have confidence in the existing arrangement?

Mr. Leslie: We need to strengthen that independence further, and we are doing that by taking away the judicial role of the legislature and taking away the legislating role of the judiciary. I hope that that explains the measures to the hon. Gentleman in a nutshell.

Mr. Grieve: Will the Minister now take the opportunity to accept that the original proposals did not envisage a concordat, and that the concordat was required because of the alarm of the judiciary, which was reflected in the comments of the Lord Chief Justice that, without it, this measure would constitute a serious transfer of power to the Executive that would affect the independence of the judiciary? That is why the concordat was necessary. This colours the entire nature of this debate and, particularly, the Government's bad faith in respect of it.

Mr. Leslie: I am delighted that the hon. Gentleman thinks that the concordat is necessary. We do, too, and it is now on the table and part of the package that we are offering. I restate the quote from the Lord Chief Justice that he

"would consider it an unsatisfactory situation if the present position were left in place." [*Official Report, House of Lords*, 8 March 2004, Vol. 658, c. 1004.]

We have taken great care to do nothing to diminish the independence of the judiciary. On the contrary, clause 4 of the Bill provides a new statutory guarantee of continued judicial independence. It creates a duty on all Ministers of the Crown and all others with responsibility for the administration of justice to uphold the continued independence of the judiciary.

Vera Baird: Coming back to what the hon. Member for Beaconsfield (Mr. Grieve) said a moment ago, I should like to point out that Lord Woolf said on Third Reading that

"even in its original form, the judiciary was supportive of the Bill … as a package of reforms that would significantly improve the protection provided for their independence."—[*Official Report, House of Lords*, 20 December 2004; Vol. 667, c. 1555–56.]

Mr. Leslie: Yet again, my hon. and learned Friend helps to give breadth and depth to the debate. That was most useful.

Mr. Garnier: I would not like the Minister to ruin a great legal and political career by giving too much praise to the hon. and learned Lady. Will he tell us which parts of the concordat are to form parts of the legislation, and which parts we are simply to rely on by placing our trust in the Government?

Mr. Leslie: Some parts are in the Bill and some are not. That is by agreement, and we shall no doubt go through those matters at great length in Committee, much of which, hon. Members will be delighted to know, will be held on the Floor of the House. The hon. Gentleman will have plenty of opportunities to go into that issue in detail later.

The Bill also places an additional duty on the Lord Chancellor to have regard to defending the continued independence of the judiciary. That duty will also apply, for example, in his handling of the recommendations from the new judicial appointments commission and in funding and running the administration of the courts. Clause 5 amends the Justice (Northern Ireland) Act 2002 to ensure that the provisions made by that Act in relation to the guarantee of judicial independence are consistent with the provision made by clause 4.

Our judiciary will have strengthened independence, but will still have a dialogue with the Government and Parliament. In recognition of the important contribution of the Lord Chief Justice of England and Wales, the Lord President of the Court of Session and the Lord Chief Justice of Northern Ireland, clause 6 provides that they may table written representations to Parliament on matters relating to the judiciary or the justice system. In addition, the Bill recognises the important role of the Lord Chief Justice in respect of the judiciary. It sets out his responsibilities, including representing the views of the judiciary to the Government, and the training, guidance, welfare and deployment of the judiciary of England and Wales.

The role of the Lord Chancellor in delivering the concordat will be fundamental. It has been agreed between the Lord Chief Justice and the Lord Chancellor that functions of the Lord Chancellor that relate to the judiciary and the court system should not, in future, be transferable away from that Minister without primary legislation. That is set out in clause 17. It is another protection that the Chairman of the Committee has mentioned.

I turn now to the question of who will act as the presiding officer of the other place. The Government continue to believe that, for a busy Minister of the Crown, sitting also as a Speaker or presiding officer over a House of Parliament is a heavy burden indeed. We therefore take the view that the House of Lords should have the benefit of a presiding officer who can devote his or her time solely to its service.

Ultimately, of course, decisions on who should be the presiding officer of the other place are a matter for their lordships themselves as part of the Standing Orders of the House of Lords, which currently stipulate that the duties form part of the role of the Lord Chancellor. But it is undoubtedly odd that any House of Parliament should automatically accept the appointee of the Prime Minister as its Speaker or presiding officer, a state of affairs not conducive to the supremacy of Parliament in our constitution. The Bill therefore helps to facilitate the process now in train in the other place about who might take on that aspect of the Lord Chancellor's current functions. The House of Lords has not yet formed its view, nor decided the title of that presiding officer.

Part 2 of the Bill therefore allows the statutory functions of the Lord Chancellor, in his capacity as Speaker of the other place, to be exercised by anyone who fills that role in future.

Mr. Paul Tyler (North Cornwall) (LD): I hope that Members on both sides of the House will accept what the Minister says. I would put the case even more strongly, because it is surely wrong that a member of the Executive should preside in either House of Parliament. It is important to try to keep apart the roles of the Executive and the legislature, and that proposition should have the support of every right hon. and hon. Member.

Mr. Leslie: I tend to agree with the hon. Gentleman on that point, although he will understand that it is for the other place to decide on the arrangements for its presiding officer.

Sir Patrick Cormack: Should not we put it on record that the so-called presiding officer in the other place fulfils a function wholly different from that performed by Mr. Speaker in this place? The other place is self-regulating and wishes to remain so. Whoever sits on the Woolsack does not exercise the power and responsibility of Mr. Speaker, and the title of that person should not be confused with that of Mr. Speaker.

Mr. Leslie: I understand that there are differences between the two presiding officer functions, but that is not to say that there are not public expectations about the role of the individual who sits on the Woolsack or that he or she will not undertake presiding officer duties in the course of business in the House of Lords. It is not for us to dictate to the House of Lords, at this stage, the arrangements that it should make for its presiding officer.

Mr. Garnier: If the House of Lords decides that it wishes its presiding officer—whatever he will be called—to be the present Lord Chancellor, but the Prime Minister decides that the Lord Chancellor's office should be held by a Member of the House of Commons, how will the Government square that circle? *[Interruption.]*

Mr. Leslie: As voices off remind us, it would be very difficult to do so. However, it would be a matter for the other place to find an appropriate person to be its presiding officer.

[Mr. Leslie]

Part 3, another fundamental part of the Bill, would create a new supreme court for the United Kingdom, separate from Parliament but with the current appellate jurisdiction of the House of Lords and the devolution jurisdiction of the Judicial Committee of the Privy Council. Two principles underpin the Government's proposals for a United Kingdom supreme court: first, the functional separation of the judiciary from the legislature, and secondly, the need for greater constitutional clarity and visible independence for the United Kingdom's highest court.

The ultimate court of appeal is doing something different from the legislature; it should be doing it separately, and should be clearly seen to be doing it separately. Functional separation of the judiciary at all levels from the legislature and the Executive is a cardinal feature of any modern, liberal and democratic state governed by the rule of law.

Furthermore, the Law Lords are judges, not legislators. They are specifically appointed to act as the UK's supreme court

"for the purpose of aiding the House of Lords in the hearing and determination of appeals",

in the words of the Appellate Jurisdiction Act 1876. They are there as judges and it is no longer tenable to see those judges act in the legislative role.

I emphasise that the proposals imply no criticism of the performance of the Law Lords. I know that they are admired around the world and have always acted with the utmost integrity, independence and objectivity. However, that is not reason enough to maintain the current position. The very fact that in recent years the Law Lords have had to exercise a self-denying ordinance neither to speak nor vote in the House of Lords on matters that might come before them in a judicial capacity indicates that there is something fundamentally flawed in the current arrangements, however well they may seem to work.

Mr. Gummer: The hon. Gentleman was at great pains to say that nothing had gone wrong so far, yet he then said that as people do not understand that nothing has gone wrong so far, we have to change things. I do not understand what has happened to our society if we are unable to understand something that we had been perfectly able to understand, and people had been perfectly well able to run, for so many years, and which is, to quote the Minister, well known and honoured throughout the world. Why can we not go on as we have done?

Mr. Leslie: Having the Appellate Committee as the highest court in the legislature has not sat comfortably for more than a century. The Appellate Jurisdiction Act, although it was not commenced, sought to establish a separate UK supreme court. For various reasons, that did not happen at the time. The initiative is not exactly new but it is long, long overdue.

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): It is important to remember that most of us have been dissatisfied with the situation because the Lord Chancellor, who was appointing judges, was an active party politician. Ever since I saw Lord Hailsham on the beach in his bathing costume ringing the bell for the Tory party and then claiming that he was completely independent, I have viewed the system with some suspicion.

Mr. Leslie: Matters of family honour may need defending on that point, but I hear what my hon. Friend says.

Half the Law Lords are reported to be uncomfortable with the present arrangements. If we do not move to reform, how long will it be before a majority are unhappy? The time has come for our highest court to be a separate institution—not only separate, but seen to be separate. By establishing a supreme court, we shall create a visible apex of an independent United Kingdom judicial system, and we shall increase public comprehension of the judicial system, both in this country and abroad.

Sir Patrick Cormack: The Minister is exemplary in giving way, but I must correct one point made by his hon. Friend the Member for Ealing, Acton and Shepherd's Bush (Mr. Soley). When Lord Hailsham rang his bell he was chairman of the Conservative party, not Lord Chancellor. As Lord Chancellor, he exercised his functions with great distinction and complete impartiality.

Mr. Leslie: Politicians should stick to politics and the judiciary should stick to judging. That is the clear direction in which we are travelling and there is not a massive amount of controversy about that issue.

Annabelle Ewing (Perth) (SNP): The Minister referred a moment ago to the fact the new supreme court would be an independent UK judicial system—I think that that was the phrase that he used—but given that the funding arrangements for the new supreme court will still be part of the Department for Constitutional Affairs' overall budget, the chief executive of the new supreme court will be appointed by the DCA Minister, and the DCA Minister will retain functions that relate to the judiciary in England and Wales, how can it be argued therefore that all aspects of the new supreme court will be entirely distinct and separate from the legal system south of the border? Surely it therefore falls foul of the 1707 treaty of Union.

Mr. Leslie: The hon. Lady is wrong. First, the Department for Constitutional Affairs is a United Kingdom Department, not specifically relating to England and Wales. Secondly, the post of chief executive of the new supreme court will not be simply a ministerial appointment in the way that she describes. Thirdly, although there must be some accountability to Parliament for the taxpayers' money expended in the running and operations of the United Kingdom supreme court—ministerial accountability is therefore the way to provide that—we will provide protections separate from the normal run-of-the-mill votes and estimates that departmental budgets come under, and those resources will be ring-fenced. That will provide adequate protection for the new supreme court, so that it is seen to be independent, and is given the measure of independence set out in the Bill.

Understandable concern has been expressed about where the supreme court will be located and the cost of such a building. I am sure that Opposition Members are keen to consider that. The building for the supreme court should be a reflection of the court's importance and its place at the heart of the justice system and the constitution, yet simultaneously not excessive or lavish.

The current accommodation for the Law Lords in the Palace of Westminster leaves a lot to be desired. Their offices are cramped and inconveniently located, and constraints on the space available limit the number of support staff. Quite separately from the constitutional principles, there is a strong case for improved facilities. We have therefore considered many different building options over the past year, and after detailed evaluation and close consultation with the Law Lords, our preferred option is Middlesex Guildhall, which is on the opposite side of Parliament square from Parliament, and currently a Crown court building. We believe that it can be adapted to meet the operational requirements of a modern supreme court and provide a building of sufficiently prestigious design and location—all, of course, subject to the normal planning controls.

Mr. Grieve: I certainly agree with the Minister that the Law Lords may have divided views, but before history is rewritten, the Minister must have read the speech of Lord Nicholls in respect of the supreme court and his comments, as a Law Lord, about the adequacy of the accommodation currently available in the House of Lords. Would he like to confirm whether he has done so? In fact, in that speech, the indication from one Law Lord was that he considered that the accommodation provided in the House of Lords was entirely adequate.

Mr. Leslie: We could bandy about various quotes from different Law Lords. Certainly, some Law Lords hold that view; others hold a different view. For example, Lord Bingham said:

"I doubt if any supreme court anywhere in the developed world is as cramped as our own."

He then said that there was an

"acute shortage of space . . . I cannot see why the fourth richest economy in the world cannot"

have its own building.

Lord Steyn—another Law Lord—said that

"the accommodation available for the final court of appeal"

was

"not adequate".

Different Law Lords have different views, but I do not think that by any stretch of the imagination, the hon. Gentleman is unable to envisage improvements that could be made to the accommodation for our highest court of appeal in the land—something that he will hold as a respected institution that deserves to be supported in the best way possible, to help to preserve the judiciary's independence.

The cost of establishing the supreme court at Middlesex Guildhall will be approximately £30 million, but we will also need to ensure that the criminal justice system is not adversely affected by the selection of that building. We will therefore provide additional courtrooms to handle the Crown court work currently undertaken at the Guildhall, at an estimated further cost of £15 million.

The Government are committed to implementing the new supreme court properly and to achieving value for money. That is why clause 120 contains provisions to ensure that the supreme court can not be implemented until an appropriate building is ready to receive it. Those provisions demonstrate our pledge that we will not implement the supreme court arrangements prematurely.

Mr. Grieve: The Minister said that Middlesex Guildhall was the preferred option and then went on to say in some detail that, in fact, it was the Government's choice. However, Lord Bingham, who wants a supreme court, has expressed extremely unfavourable views about the Guildhall.

Mr. Leslie: Again, I do not think that is a fair categorisation. No building is absolutely perfect. I have long preferred Middlesex Guildhall, and I know that others hon. Members have reached that conclusion. It is seems an obvious conclusion to draw. The building is already there, we can see it and we know what it looks like. It looks right, it feels right and it is in the right location. It is my preferred option—but of course, it remains subject to the normal planning constraints that we have to go through. It remains a preferred option at this stage while we make sure that all those processes are undertaken properly.

Annabelle Ewing: The Minister is most generous in giving way again. Paragraph 330 of the explanatory notes—I recognise that they are only advisory—states that

"it will be necessary to provide additional courtrooms to take on Middlesex Guildhall's Crown Court work."

Will he clarify whether these additional courtrooms will be located in the Middlesex Guildhall or in an entirely different building somewhere else in London?

Mr. Leslie: The latter. The courtrooms would have to be located somewhere else, but they will be in London.

I want to mention briefly other aspects of this part of the Bill. Clauses 22 to 28 set out the arrangements for the selection of members of the supreme court. Clauses 45 to 50 also make provision for the governance of the court to be as independent as possible—I answered that point earlier in response to a question from the hon. Lady—so that it is compatible with its position as a body in receipt of public funds. As a logical consequence of the separation between the judiciary and the legislature, clause 109 restricts the rights of Members of the House of Lords to sit and vote, for as long as they hold full-time judicial office.

Mr. Garnier: Will the Minister give way?

Mr. Leslie: Oh, go on. I will give way again.

Mr. Garnier: I know that it is boring for the Minister to have to explain himself, but that is what he is here to do. I want to ask about clause 65, entitled "Exercise of

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powers to reject or require reconsideration". The judicial appointments commission will be able to put up a name to the Minister and he will be able to reject it. However, clause 65(2) says:

"The power of the Minister . . . to require the selection panel to reconsider . . . is exercisable only on the grounds that, in the Minister's opinion—

(a) there is not enough evidence that the person is suitable for the office concerned, or

(b) there is evidence that the person is not the best candidate on merit."

Those are rather interesting expressions. What sort of evidence is the Minister is likely to have that the commission will not have had or considered? What is it about the merits of the candidate that may not attract the Minister but may have attracted the commission?

Mr. Leslie: I happen to think that the drafting of clause 65(2) is pretty good, in that it does not go unnecessarily into the definition of that evidence, and keeps it fairly broad, but is challengeable also. For example, evidence could be that knowledge of a criminal conviction has emerged that was not available to the judicial appointments commission. That is the sort of issue, but we will go through some of the particulars in Committee.

Part 4 creates a judicial appointments commission and a judicial appointments and conduct ombudsman for England and Wales. Selection must be solely on merit, but this part of the Bill also sets out the process to be followed in appointing judicial office holders and in providing for complaints to be made to the ombudsman. It also makes provision for a new disciplinary process in relation to the judiciary. The Government believe that creating a judicial appointments commission for England and Wales will itself send a powerful message that judicial appointments are to be open, transparent, accessible, and removed from the control of a single Minister. It will also help to promote equality and diversity among those appointed to our judiciary.

Although the quality of our judges is not in doubt, the means by which they are appointed is out of step with public expectations regarding the way in which government should work. Our current arrangements have produced a judiciary that, although excellent in many ways, is startlingly homogenous. There are hardly any solicitors, few women lawyers and only one ethnic minority lawyer in senior judicial posts. I cannot believe that that is representative of the pool of legal ability or talent available for appointment. I am confident that the new judicial appointments commission will provide an appointments system based on merit alone. Crucially, however, as I said earlier, a broader appointments process will help to recognise merit from the wider pool of talent available, thus drawing on the full diverse range of those qualified for judicial appointment, regardless of their gender, or social or ethnic background.

Mr. Grieve: As I indicated earlier, although this part of the Bill will require close scrutiny, we support the broad thrust of it. Given that it is one of the main pillars of an important constitutional Bill, will the Minister explain why virtually none of it will be debated on the Floor of the House?

Mr. Leslie: The aspects of the Bill to be considered in Committee on the Floor of the House and Upstairs in a Committee Room will ultimately be voted on by the House. The House will make its judgment, but I believe that we are following convention.

Mr. Shepherd: The Minister says that merit is the primary consideration, so I am puzzled why there is conflict between that concept and the range of other matters that the Minister particularised, such as diversity. Such conflict does not seem to exist. If the measure is about merit, why is he introducing a wider system because surely that undermines that concept?

Mr. Leslie: I think that I understand the hon. Gentleman's argument, but I hope to persuade him that he is wrong. If one makes a choice from a narrow shortlist, one can make an appointment on merit. However, if the pool of those encouraged to apply were broader and a wider range of applications were encouraged—I think that the judicial appointments commission could help to devise new ways of achieving that—appointments on merit could still be made, while helping to expand the diversity of, and equality of opportunity for, those who put themselves forward for appointment. I do not think that the two concepts are inconsistent. At the heart of the reforms is our drive to build further on people's confidence in key institutions such as the judiciary.

Mr. Oliver Heald (North-East Hertfordshire) (Con): On a point of order, Mr. Speaker. Of course, it will not be possible for the House to debate the programme motion to which the Minister referred, because of the changes that have been made to our rules. Have you received a request from the Leader of the House to come here to explain why, with his programme motion, he is breaking a constitutional convention that has been in place since 1945 and has applied to every constitutional measure of first-class importance under this Government? This is the first time that the Government have tried to break that important precedent, and they will not even explain themselves.

Mr. Speaker: That is not a matter for the Chair.

Sir Patrick Cormack *rose—*

Mr. Leslie: I hear what you say, Mr. Speaker, and now give way to the hon. Member for South Staffordshire (Sir Patrick Cormack).

Sir Patrick Cormack: You have made it clear, Mr. Speaker, that this is a matter for the Minister, so why have the Government broken the convention? It is slightly disingenuous for the amiable Minister to suggest that the House will decide, because the Government

have tabled a motion—which means that they have effectively made their decision. What is the defence for such an extraordinary unconstitutional move?

Mr. Leslie: I am afraid that the decision to accept the programme motion will be taken not by the Government but by the House. The House of Commons will decide how to scrutinise its business.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con) *rose—*

Mr. Shepherd *rose—*

Mr. Leslie: I shall make a little progress.

We are fortunate that our judiciary has an exceptional reputation for intellectual ability, integrity and independence. Judges play a key role in the justice system and it is vital that the public should have confidence in them. To achieve that, we need to ensure that there is complete confidence in the way in which the judiciary are selected and appointed. Of course we need a system that selects the best people on merit, but it must do that in a modern and efficient way.

Mr. Hogg: May I take the hon. Gentleman back to the question asked by my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack)? The hon. Gentleman could at least explain why the Government's proposal is inconsistent with past precedent.

Mr. Leslie: I do not accept that our proposal conflicts with past precedent. There will be ample debate on the Bill in the Committee of the whole House and in Standing Committee. If the right hon. and learned Gentleman does not like the programme motion, he is perfectly free to vote against it.

Mr. Shepherd: The Minister made a serious assertion in his last comment to my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg). It is unusual for a Minister and a Government to put a guillotine motion on the Order Paper, no less. On a constitutional Bill, there is no opportunity for the House to express any opinion in advance of the vote, which will be whipped, as to the reasonableness of the timetable according to which the Bill is being forced through.

Mr. Leslie: The hon. Gentleman has long-held, strong views on programme motions, and I do not want to rehearse those again. He has his opinion; other Members have theirs. I remain of the opinion that the balance of consideration in Committee of the whole House and in Standing Committee is right, because, as in the other place, the Bill's most important constitutional aspects will be given an ample airing on the Floor of the House.

Sir Patrick Cormack: On a point of order, Mr. Speaker. In view both of your ruling, which we completely understand, and of what the Minister has said, will you make it plain that it will be permissible to refer fairly extensively to the programme motion during the Second Reading debate?

Mr. Speaker: I would say yes, within reason.

Mr. Leslie: What a strange turn of affairs if the main point of contention from Opposition Members is the time allocated to the debate rather than the substance of the Bill. Indeed, we have probably spent more time on the interventions about whether the programme motion has the correct division of time between the Floor of the House and the Standing Committee than we have on the Bill. Conservative Members need to get a little perspective on the issue.

Mr. Heald: Almost everything that the Minister has mentioned, from whether the Lord Chancellor should be a lord, and whether he should be a lawyer, to the transfer of functions—all the points of detail that he has prayed in aid as being of interest to the House—will not be discussed in Committee of the whole House. How can he justify that?

Mr. Leslie: I believe that the Bill's most fundamental constitutional aspects will be debated in Committee of the whole House; the other aspects, which are more appropriate for the Standing Committee, will be debated at length and in great detail by that perfectly capable body.

Mr. Gummer: I thank the Minister, whose courtesy is renowned, for giving way. He has told us that the Bill's purpose is primarily to address the fact that people outside do not understand the complications and what appear to be the contradictions in our present system. Does he not understand that the same is true of what he has just said? People outside will not understand why there is no procedure whereby we will be able to discuss, on the Floor of the House, a major constitutional change. He is arguing one thing in the case of the whole Bill, and exactly the opposite in this case. That is why we have spent so much time on the point.

Mr. Leslie: We will have to agree to disagree on the matter. It is not true that we will have no opportunity to debate the judicial appointments commission on the Floor of the House, because as the Bill progresses through its parliamentary consideration there will, of course, be Report stage, when we will be able to look in detail at many of those matters.

I want briefly to mention the operation of the judicial appointments commission, which will select judges for appointment in England and Wales. It will be composed of 15 members: six lay members, five judges, one solicitor, one barrister, one tribunal member and one magistrate. The chair will be a layperson, emphasising independence both from the judiciary and from the Executive. The commission will recommend to the Lord Chancellor one candidate for each vacancy selected, solely on merit. No one will be appointed who has not been selected by the commission.

The Lord Chancellor will have a very restricted role: he or she will be able to reject a candidate once and to ask the commission to reconsider a selection once, as I said in answer to an intervention by the hon. and learned

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Member for Harborough (Mr. Garnier). The arrangements will ensure that the role of the Lord Chancellor is transparent, but that there is necessary ministerial oversight and involvement to ensure proper accountability to Parliament, which is of course sovereign.

At present, the Lord Chancellor has statutory powers to remove judicial office holders below the High Court on grounds of incapacity or misbehaviour. Those powers will be reformed so that they can be exercised only with the agreement of the Lord Chief Justice. The Bill places all matters of judicial discipline and removal on a transparent statutory footing and provides a structure that reflects a proper balance between the independence of the judiciary and democratic accountability for the judicial system. The current role of Lord Chancellor will be shared with the Lord Chief Justice. No removal or other disciplinary action can be taken by one of them without the agreement of the other. None of those powers will displace the existing role of Parliament in the removal of the most senior members of the judiciary, in those exceptional circumstances.

The Bill will also permit those who are dissatisfied with the administration of the complaints procedure established by the judicial appointments commission to seek review of the operation of the process by a judicial appointments and conduct ombudsman.

Part 5 of the Bill takes account of the reform of the office of the Lord Chancellor in Northern Ireland, building on the provisions already made for that jurisdiction. Part 5 makes provision for the removal of judges in Northern Ireland in the period prior to devolution of justice to the Northern Ireland Assembly.

In Committee, we shall no doubt debate these provisions in much greater detail, but fundamentally, the principles and rationale for the legislation are clear and simple—

Mr. John Bercow (Buckingham) (Con) *rose—*

Mr. Leslie: Speaking of which, I give way to the hon. Gentleman.

Mr. Bercow: The Minister has sought to deal with the Bill sequentially, but will he press the rewind button for a moment? I would like to take up the issue of the provision in clause 16 for the transfer, modification or abolition of the functions of the Lord Chancellor by order. I am in a difficulty from which I hope the hon. Gentleman will be able to extricate me. Given that the Lord Chancellor has a visitatorial function—a responsibility for interpreting and acting as arbiter in a number of disputes, notably, for example, in universities and hospitals—can the hon. Gentleman tell me how that role relates to and/or differs from comparable responsibilities of the President of the Council, the Leader of the House? What is the nature of the reform that the Government envisage?

Mr. Leslie: Many of the visitatorial functions of the old office of Lord Chancellor are not appropriate to the new ministerial office. Many of those will revert either to universities or to the other appropriate office holder—the Secretary of State responsible for those particular policy areas. That is one of those matters of detail that I again suggest would be better aired in Committee.

Mr. Bercow *rose—*

Mr. Leslie: Just for fun, I will give way again.

Mr. Bercow: I admit that this is a matter of detail. The hon. Gentleman and others may think that I am being pedantic, but I happen to think that the matter is important, and I do not disagree with what he has just said. In saying what he has about the rather anachronistic character of some of the responsibilities, does he accept that it would be a bit of an anachronism for the Leader of the House, notwithstanding his multifaceted talents, to have responsibility for arbitrating on disputes in universities? Surely the right hon. Gentleman's time would be better devoted to other responsibilities.

Mr. Leslie: The hon. Gentleman may well have suggested a worthwhile debate. I agree that my right hon. Friend has multifaceted talents, and I am glad that the hon. Gentleman has recognised that.

To return to the principles of the Bill, its rationale is clear and simple: a modern footing for the relationship between the Government, the judiciary and Parliament; an end to the potential conflicts of interest between the political and the judicial realm; a restatement and strengthening of judicial independence; better courts administration, with a full-time Cabinet Minister overseeing £3 billion of public expenditure; and clearer responsibilities for the vital functions of a modern democracy.

Our constitutional history is among the longest and most illustrious anywhere in the world. It has evolved gradually but constantly over the centuries. Change and reform is therefore a core feature of our system of governance, not alien to it. These changes, too, will further enhance and improve our constitution so that it is fit for the 21st century. I commend the Bill to the House.

Sir Patrick Cormack: On a point of order, Mr. Speaker. I apologise for raising this matter, but I wonder whether there is anything that you can do to protect the interests of the House. We have just heard that this is a major constitutional Bill of enormous and far-reaching importance—an historic Bill, whatever one's view of it—yet despite the Minister's assurance, the House will have only three hours on the Floor of the House to debate the most fundamental aspects of the measure. Can you do anything to make representations to those who have brought the Bill before us to ensure that the House—your House, over which you preside—has a proper opportunity to discuss those important matters?

Mr. Speaker: The hon. Gentleman asks me to do something in which the usual channels should be involved. The Whips are obliged to listen to Back Benchers, especially senior ones. I know that the Government have a majority, but we are in danger of pre-empting the decision on the programme motion, which is not for me to do.

4.31 pm

Mr. Dominic Grieve (Beaconsfield) (Con): I beg to move,

That this House declines to give the Constitutional Reform Bill a second reading because it creates a costly and unnecessary Supreme Court exercising the same functions as the current Law Lords; is based on the false premise that the separation of powers between the judiciary and legislature requires the physical removal of the Law Lords from Parliament; fails to demonstrate how the proposed Supreme Court would exercise its functions with any greater degree of impartiality, independence and integrity than the Appellate Committee of the House of Lords; will deny Parliament the experience and expertise that the Law Lords bring to debates and legislation; and notwithstanding the benefits of a Judicial Appointments Commission, offers no convincing justification for replacing a system that works well.

I move the reasoned amendment with considerable regret, because I am by no means averse to the idea of evolutionary constitutional reform, and certainly not in respect of the judiciary and its appointments system, or of the operation of the House of Lords and the role of the Lord Chancellor. Far from it. As the hon. Member for Nottingham, North (Mr. Allen) said, it has always been a subject of legitimate public debate. Constitutions will survive the test of time only if they adapt. I have no difficulty with those arguments, but we cannot get away from the fact that the manner in which constitutional reform of a major kind was introduced was disastrous—disastrous for the reputation of the Government, disastrous in terms of undermining the independence of the judiciary, which it involved at its outset and disastrous in the whole manner of its announcement.

In early 2003, we were assured by the previous Lord Chancellor that the Government on whose behalf he was speaking had no intention of changing the current systems in respect of the Lord Chancellor and the Supreme Court. In summer 2003, an announcement was made on the back of a Cabinet reshuffle—an announcement of which, it has become apparent, the Lord Chief Justice was informed only a few minutes before it was made. It was obvious that the Cabinet Secretary, who is supposed to steer Ministers, in particular the Prime Minister, away from serious pitfalls, had not been consulted. The announcement envisaged the immediate axing of the office of Lord Chancellor. It was a back-of-the-envelope job and within 24 hours we had the bizarre scene of the person who had announced that, whatever he was, he was not the Lord Chancellor, having to go the royal courts of justice to take the Oath of Allegiance to fulfil precisely that role. Not only was the spectacle unedifying as a piece of history, but it colours my approach to the Government's handling of the matter and the degree of trust that I place in the Government's delivery of their promises on it.

Mr. Hogg: Will my hon. Friend also point out that the affair showed extraordinary ignorance on the part of those advising the Prime Minister, because there were hundreds of references in many statutes to the role of the Lord Chancellor, which had to be dealt with before the office could be abolished?

Mr. Grieve: I agree entirely. There were, I believe, more than 500 such statutory references that could not be expunged by the executive fiat of the Prime Minister, but whether the right hon. Gentleman was badly advised, I do not know. I have a funny feeling that he was not advised at all. I think that he concocted the change in cahoots with the present Lord Chancellor on the back of an envelope—or certainly over a glass of good claret. I cannot imagine what else what else was going on.

Mr. Garnier: I am grateful for my hon. Friend's opening remarks. Does he accept that the logic of his amendment and what he has just said is that the next Conservative Government would repeal the Bill if it is on the statute book when we return to office?

Mr. Grieve: The position is clear. We are committed to the preservation of the office of Lord Chancellor in a form in which he is both a lawyer and a Member of the Lords. That is fundamental, and I believe and trust that we would take action to restore the office. As for the supreme court, we must see what the position is when a Conservative Government come to office. *[Interruption.]* I must tell the Minister that our position, too, is straightforward. If the supreme court has not been set up, I assure my hon. and learned Friend that we do not intend to set it up. It is unnecessary, for reasons that I shall explain.

Mr. Gummer: Will my hon. Friend return to his point about the proposal being made on the back of an envelope? Is it not likely that it was introduced in that peculiar way, given that the creation of both the Office of the Deputy Prime Minister and the Department for Environment, Food and Rural Affairs was worked out on the back of an envelope to satisfy individuals, rather than for the better governance of the nation?

Mr. Grieve: I agree. A number of people were satisfied with the reform of the office of Lord Chancellor. The present Lord Chancellor seemed to be pleased with his promotion. Notoriously, the previous Home Secretary, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), was filmed at the entrance to the Home Office embracing the present Lord Chancellor, who was about to carry out his new duties. The right hon. Member for Sheffield, Brightside was overheard to say sotto voce, "Now at last we will get the judges we want." Another reason why I find it hard to trust the Government on this issue is that, in the initial stages of reform in the period immediately after the announcement of the back-of-the-envelope proposals and the ensuing fiasco and back-tracking, the judiciary, who certainly did not wish to be dragged into the argument—none the less, they were—were under the impression that the proposals as they stood were the most serious threat to judicial independence in their lifetime. That was apparent from their response.

I accept that, since then, the Government have taken steps to satisfy many of the judiciary's anxieties, but it is extraordinary that a Government committed to human rights and the rule of law should, in the summer of 2003, have introduced a series of proposals that threatened to undermine both. However, I have ceased to be surprised at the way in which they operate, because although they are loud in their rhetoric about trying to improve and

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modernise, the reality is a constant accretion of centralising control to Ministers—that has been their absolute and consistent hallmark.

Mr. Soley: Before we leave the question of what a future Conservative Government, if there is one, would do, will the hon. Gentleman explain something? I am not a lawyer but, as I understand it, if we do not have a supreme court and a clearer separation of powers, it is only a matter of time before someone goes to the European Court of Human Rights and argues that case. Is it the intention of a future Conservative Government to take us out of human rights legislation?

Mr. Grieve: The hon. Gentleman has made a perfectly reasonable point, but the problem that he identified is a fiction. Many of the Law Lords who considered that problem decided that it was most unlikely to arise and I believe that, if such a challenge was mounted in Strasbourg, the margin of appreciation allowed for a country's individual judicial system would enable our arrangements to stand the test without difficulty. The only issue that might have presented problems was the Lord Chancellor sitting as a judge, which is why, as the Minister knows, we have always been consistent in the view that that was a practice that could be ended as part of the evolutionary change. I disagree with the analysis of the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley) of what would have happened, or what would happen—after all, we have not brought these changes about—if we left the Law Lords as they are at present.

The Minister said that it is wrong that judges should have to exercise forbearance in what they say, but the reality is that judges have to do so at almost every moment, including in private conversations and at dinner parties. I do not think that that made any difference and they succeeded in managing membership of the House of Lords and active participation in it without difficulty. I shall return to that point.

Vera Baird: The hon. Gentleman will appreciate that there is a real academic conflict in respect of what he has said and that there might be something in the assertion of my hon. Friend the Member for Ealing, Acton and Shepherd's Bush (Mr. Soley). There is a respected school of thought that says that having judges in the legislature at all is capable of breaking the convention.

Mr. Grieve: I accept that the hon. and learned Lady makes an arguable point. We continue to have judges in this legislature. We have recorders who sit in the Crown court. That is a point to be borne in mind. Indeed, we have deputy district judges sitting in the House, quite apart from the other place. I do not believe that that presented a problem. I was sufficiently happy, as I shall explain, with the existing system, not to have wished to see it tinkered with.

Mr. Garnier: I intervene as a Member, not as a recorder who happens to be a Member.

Before my hon. Friend allows himself to be too far seduced by the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley) and his arguments, he will remind himself of the European Court of Human Rights case dealing with the Bailiff of Guernsey. He will remember that, while the case led to the change in the arrangements in this country over assistant recorders and so forth, that Court did not criticise the British system of having a Lord Chancellor who happened to be a member of the political class.

It strikes me that we are getting into this groove because we are different and because it is thought that we should conform with everybody else's constitution. I hope that the Conservative party, above all, will ensure that it sticks up for what is good in this country and not allow the Labour party to wash all over us the slack intellectual guff that it seems to be seduced by.

Mr. Grieve: I agree entirely with my hon. and learned Friend. I want to reassure him. I am proud of our constitution and of the fact that it has stood the test of time, worked well and evolved pragmatically.

I say to the Minister that I could not give a fig about the separation of powers. It is an 18th-century concept that was put together by a French philosopher who came over to this country and misunderstood the way in which the system worked. Particularly, he was amazed that members of the judiciary, even then, exercised their powers independently and concluded that they were separate. What is of concern to me and to others is that the independence of the judiciary should be preserved. The separation of powers has nothing to do with it. Indeed, it is a concept that, on the whole, we have ignored and I think that we have been right to do so.

Sir Patrick Cormack: My hon. Friend is making a robust and intellectually impeccable case. Is not the natural conclusion of everything that he says that the next Conservative Government would be exceptionally unwise to proceed to a second House that was 80 per cent. elected, which would, in effect, abolish the House of Lords?

Mr. Grieve: I agree that any step by any Government in respect of the constitution of the House of Lords that erodes its independence, its independence of thought and independence of action would be massively undesirable.

I return to the slightly more restricted area of the judiciary and specifically to the office of Lord Chancellor. The Government proposed its entire abolition. They were then willing to listen to the representations made in the other place on the preservation of the name as the title of the Minister who fulfils the functions, but that is to all intents and purposes a valueless concession. I am interested not in symbols, but in practical reality. The practical reality is that, by a mixture of accident of history and the development of convention, we have succeeded—or had succeeded, until summer 2003—in creating an exceptional institution and one that ensured that, at the very heart of Government and of the operation of the Executive, there was a permanent champion of the independence of the judiciary capable of standing up for its independence and its rights, and it worked.

It did not matter whether Lord Hailsham rang his bell on the beach—I think it was actually on the podium—when he was a party chairman. It did not matter that

Lord Gardiner had been an active member of the Labour party prior to his appointment. When somebody was appointed Lord Chancellor, went to the royal courts of justice and took the judicial oath, he was effectively transformed and became in his attitude and outlook quite different, commanding respect to such an extent that every time one asks the question, which the Minister answered earlier, whether actions by previous Lord Chancellors over the past 25 to 30 years in the appointment of the judiciary or their dealings with them have been faulted, the answer comes back entirely in the negative. To take that institution and smash it to pieces, which is what the Government proposed to do at the outset, without providing for an adequate replacement—as I shall explain in a moment, the replacement is in many of its aspects seriously flawed—strikes me as extraordinary.

Mr. Hogg: My hon. Friend has been referring to the office of Lord Chancellor. He made some very kind remarks about my right hon. Friend, my father. Does he accept that one of the reasons why the Lord Chancellors were always effective in the role that they performed was, first, because being in the House of Lords, they could not look to preferment in this place and therefore were not the subject of patronage in that sense, and secondly, because as a general rule they had come to the end of their political or their legal career and did not give two hoots?

Mr. Grieve: My right hon. and learned Friend is right. Having taken the judges' oath, Lord Chancellors had nowhere else to go. There was no further appointment in Government that they could fulfil that would be of an active political kind, or, short of sitting as a Member of the Committee in the House of Lords, any other function in their profession as lawyer to which they could return. I am convinced that it was a powerful and effective tool in promoting their independent viewpoint. Of course it was always possible that they could be sacked by the Prime Minister and replaced, but their replacement underwent exactly the same metamorphosis when he went down the road to the royal courts of justice to take the judicial oath. This is not just an abstract matter. It worked in practice, as the Minister acknowledged.

When we consider the office of Lord Chancellor and whether it is worth preserving, I point out to the Minister, first, that if it worked well but there were flaws in it—the particular flaw identified by the Minister and some others is that the Lord Chancellor sat actively as a judge, as opposed to just appointing judges—that is a matter that can be remedied. Secondly, as I made clear to the Minister at the outset, if the needs of transparency merit a judicial appointments commission, there was no reason why the Government could not go ahead and create that commission while preserving the office of Lord Chancellor, sitting in the House of Lords, taking an oath of office, not sitting as a judge and remaining legally qualified.

Mr. Bercow: Whether my hon. Friend noticed it or not, the Under-Secretary of State for Constitutional Affairs, the hon. the Member for Shipley (Mr. Leslie) looked genuinely quizzical and even disbelieving at the idea that someone who had once been a party politician and became Lord Chancellor could change in attitude and outlook according to the new post he occupied. Does my hon. Friend agree that it is curious that the Minister should be so disbelieving, for there is an obvious precedent much closer to home? I refer to the fact that in our parliamentary process someone who has long been a party politician subsequently becomes Speaker of the House.

Mr. Grieve: I agree entirely with my hon. Friend.

It is a curious feature of this Government that they distrust and dislike convention. Convention is a system by which people behave in particular ways or do particular things, not because any rule is laid down that they should do it, but because they know that it is expected of them and believe that they would face massive public disapproval, and, quite apart from anything else, a lowering of their self-esteem, if they did not. I happen to believe that that is one of the really remarkable things that we have in this country. It is one of the things that make me proud of being British. I compare that with the situation in other countries, including one with which I am closely linked, where I do not think that such a system prevails. Therefore, it is something to be nurtured, enhanced and celebrated, yet the Government have shown themselves consistently incapable of doing that. We have an example of that today, because it is the convention that a Bill of this importance should be taken on the Floor of the House, but the Government, in so far as they are concerned with convention, could not care less, so we will not do that.

Mrs. Dunwoody: This is an important point. Will the hon. Gentleman therefore tell me why the Conservative party accepted the fact that a major constitutional Bill of this kind, which is very important, should be dealt with in the way that has been proposed by Her Majesty's Government? They must have had talks with the Ministers concerned.

Mr. Grieve: I can reassure the hon. Lady that we have not. We shall vote against the programme motion and if in the course of this afternoon I can persuade the Government by my arguments to revise their proposals, I assure her that I shall be delighted. The entire Bill should be taken on the Floor of the House. It would need about four days, no more. It could be done simply and straightforwardly, and that would allow for the maximum participation by right hon. and hon. Members.

Mr. Gummer: The hon. Member for Crewe and Nantwich (Mrs. Dunwoody) is herself an example of the importance of convention. The attempt to remove her as Chairman of a Select Committee was clearly unacceptable. The Government behaved perfectly legally, but in a way that all convention spoke against. Is it not true that convention is a civilised way of running a Government and a Parliament, and do we not get rid of it at our cost?

Mr. Grieve: I agree entirely with my right hon. Friend. I commend to the Minister the words of a distinguished Labour Minister, Herbert Morrison, who said:

"You cannot play about with the British Constitution in a Committee Upstairs, to put it colloquially."

Mrs. Dunwoody: On a point of order, Mr. Deputy Speaker. I apologise for interrupting, but earlier

[Mrs. Dunwoody]

Mr. Speaker said that the programming of the Bill was a matter for arrangement between the two Front-Bench teams. Am I to take it that that negotiation has not taken place?

Mr. Deputy Speaker (Sir Michael Lord): That is not a point of order for the Chair. I have no knowledge of what has gone on between the usual channels.

Mr. Grieve: I can tell the hon. Lady that the negotiations failed, because our proposal that the matter should be taken on the Floor of the House in the ordinary way was rejected by the Government, who have tabled a motion, on which we shall vote after Second Reading, insisting that large chunks of the Bill should be taken Upstairs. It is of more than abstract significance. It is extraordinary. The Minister spoke earlier about the importance of the new judicial appointments mechanisms in terms of the point at which the Secretary of State for Constitutional Affairs/Lord Chancellor would have a choice to accept or reject a nomination. The hon. Lady may agree that that is an important point. It is in clauses 64 and 71, but those clauses will not be considered on the Floor but Upstairs. Even now, the Minister has time to change his mind and ensure that those clauses are considered on the Floor.

Mr. David Heath (Somerton and Frome) (LD): I will advise my hon. Friends to vote against the programme motion this evening and was not consulted on whether any or all of the Bill should be taken Upstairs.

Mr. Grieve: I am sorry to hear that the hon. Gentleman was not consulted, because he should have been. I understand that a discussion took place with Government representatives and that no meeting of minds occurred. The sensible course of action is for the entirety of the Bill to be considered on the Floor.

Mr. Garnier: The Government's attitude to the question is exposed by motion 3 on the Order Paper, which states:

"CONSTITUTIONAL REFORM BILL *[LORDS]* (PROGRAMME) [No debate]".

"No debate" is in heavy type. The Government do not like debate and being held to account. They want to force us to take on everything that they push forward, irrespective of what the public and the House of Commons think.

Mr. Grieve: I agree with my hon. and learned Friend. It is regrettable that we cannot debate the programme motion and, although the situation is still unsatisfactory, that is why we are seeking to touch on the matter here on Second Reading.

Moving on from the question of the Lord Chancellor, if the Minister is prepared to accept the amendments, which were tabled and voted on in the other place, to the effect that the Lord Chancellor should remain in the House of Lords and be a lawyer, a meeting of minds will occur between Conservative Members and the Government on that part of the Bill. The Minister may have great difficulty getting the Bill through Parliament unless that concession is made. The Bill started in the House of Lords, which is a good reason why the House of Lords should have some say on how it is finished.

I hope that we can persuade the Minister to make a small but significant change in Committee to ensure that the Lord Chancellor/Secretary of State for Constitutional Affairs is not a politician on the make and not subject to the inevitable political pressures in respect of the judiciary. Such political pressures are generated, often understandably, in this House and they are thoroughly undesirable if they influence the decisions of individual judges. That change would ensure that the independence of the judiciary is maintained. The Minister may argue that the concordat is sufficient, but the concordat is valueless unless good will exists. The best way in which to generate good will is to have the highest standards, which would come from the preservation of a large part of the substance of the office of Lord Chancellor as well as the name.

Vera Baird: Is the hon. Gentleman aware that the qualification in clause 3 that the Lord Chancellor must be a lawyer, which is likely to be met most of the time, also requires that person to be a High Court advocate under the Courts and Legal Services Act 1990? I may be wrong, but that seems to be the requirement. That would exclude, for instance, a senior solicitor who has not bothered to obtain that qualification because they are not engaged in that kind of practice. Is that not an undue restriction on the available pool of post holders?

Mr. Grieve: I am broadly content with the legal qualification in clause 3. If it concerns the hon. and learned Lady, it is precisely the sort of area that can and should be examined in Committee, but it is not the main issue.

In a moment, I shall discuss how the judicial appointments commission will function, but the person who fulfils the ministerial office—I shall be interested to hear the Minister's view in Committee—must take a close interest in the judiciary and its career structures, who is doing well, how the judiciary operates on a day-to-day basis and any problems that the judiciary may have. As the Minister will confirm, one of the key roles of the Lord Chancellor that remains in the Bill is that of initiating the process by which the judicial appointments commission becomes operational, as well as having an ultimate power of veto over certain appointments.

Mr. Hogg: Does my hon. Friend agree that one of the chief functions of our Lord Chancellor is to constitute a source of advice and influence that can be set against the Home Secretary? As that is usually to do with constitutional or criminal law, is it not rather important that the Lord Chancellor should have some professional expertise in that field?

Mr. Grieve: My right hon. and learned Friend pre-empts my next words. He is of course right.

As I said at the outset, having a judge representing the judiciary in the heart of Government is among the principal important functions that the Lord Chancellor has fulfilled. After the events of summer 2003, the judiciary expressed great anxiety about the political pressures on it that were building up. The downgrading,

in effect, of the office of Lord Chancellor into that of a minor Minister was beginning to have an impact on the judiciary's sense of independence. We saw that when the then Home Secretary told the House that magistrates should go to public meetings to be told how to perform their functions, and when, in extraordinary fashion, he started to usurp the power relating to how the Crown Prosecution Service should operate. As my right hon. and learned Friend may remember, that was the subject of a statement or urgent question in this House. The actions of the Home Office gave rise to great concern about whether judicial independence could and would be maintained. These are not just abstract problems.

The Lord Chancellor is not symbolic and his role should be reinforced. I am convinced that if the Government see sense on this, they will have no cause to regret it. I cannot see any problem for them in keeping the Lord Chancellor in a status that means that further preferment will not be open to him. That is advantageous—but substituting a Minister on the make is an enormous mistake.

Mr. Leslie: The hon. Gentleman disparages all Ministers who are neither lawyers of large significance nor peers as "Ministers on the make." Can he justify having this legal qualification for the new ministerial post by explaining why he, for instance, would be superior to, say, his colleague the right hon. Member for Haltemprice and Howden (David Davis), who does not have such a qualification?

Mr. Grieve: The Minister completely misunderstands my point. There are two separate issues. First, the office holder should be in the House of Lords and should take an oath that disqualifies him from further participation in Government thereafter—that is valuable and has nothing to do with his legal qualifications. Secondly, he should be legally qualified because his role is intimately involved in the selection of the judiciary and the knowledge of how the judicial system works. Thirdly, as my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) said, he should provide a lawyer's input into the issues of judicial independence that he is there to maintain. For all those reasons, I would keep the office of Lord Chancellor as provided for by the Bill as amended in the other place.

I told the Minister at the outset that we support the principle that a judicial appointments commission should be set up, so many of the comments that I wish to make can be reserved for Committee. However, it is worth bearing in mind one or two key points. If the commission is to work, it must have sufficient flexibility to be able to respond rapidly to any given situation. For example, it is well known that at the end of the Pinochet case, the then Lord Chancellor realised that the House of Lords faced difficulties. He therefore carried out a musical chairs reshuffle, which worked superbly. He appointed a new senior Law Lord and a new Master of the Rolls and the consequences were widely appreciated. I have a concern—which I hope the Under-Secretary will note, even if he does not respond to it later in the debate—that the commission should have sufficient flexibility to act, if necessary, with similar finesse. That is important, because when one examines the bureaucratic structures that are being set up there must an anxiety that, however worthy the aims of the judicial appointments commission, it will not have the ability and flexibility to move in that fashion.

Earlier, my hon. and learned Friend the Member for Harborough (Mr. Garnier) mentioned the appointment of the new president of the family division. I make no criticism of the appointment, which appears to be unusual and, we hope, creative. However, I am bound to say that it was possible because, for better or worse, of the ability to make decisions in a highly flexible manner. I therefore need reassurance that appointments by a judicial appointments commission can have similar flexibility. I hope that the Under-Secretary will accept that as a seriously made and well-intentioned point. There is no point in our ending up with a rather ponderous organisation that fails to deliver the necessary flexibility to ensure that the higher echelons of the judiciary can be so moved around that people are happy in their jobs, that it functions well and that there is public confidence in it.

Mr. Garnier: I am grateful to my hon. Friend for giving way because he allows me to clarify a point that I made in an intervention. I believe that Lord Justice Potter will make an extremely good president of the family division and I have no criticism of his judicial qualities. However, I am worried about the illogic of the Government's position. On the one hand, they advocate modernisation of the judicial appointments system, yet on the other they appoint a judge—as it happens, an excellent judge—by old-fashioned means. I heard the Under-Secretary's comments, but it is deeply unconvincing of him to try to advance one argument after the Bill is enacted, yet rely on the much-criticised system that pertains before enactment.

Mr. Grieve: My hon. and learned Friend is right that there are strange standards in the Under-Secretary's approach. However, in fairness to him we are considering one argument that shows the merit of a judicial appointments commission and why I support it. However, we need to consider flexibility carefully.

There is another concern. The Under-Secretary said that any appointment would be made on merit. Indeed, it must be on merit. I am not worried about the desire to expand the pool of talent—many people hide their light under a bushel and such talented individuals should be brought forward and considered. However, there is a narrow dividing line between that and engaging in a form of engineering that rapidly leads the public to conclude that appointment on merit is not happening. We need to consider that carefully because although I am as keen as the Under-Secretary to ensure that those with merit who are qualified are appointed from all sections of society, merit must nevertheless be central and any attempt to dilute it must be examined with great caution.

Vera Baird: I was pleased to hear the hon. Gentleman set out the importance of merit and his appreciation, which I am sure was implicit, that the wider the pool, the better the calibre of candidate. Is he ready to confirm that the current system is not the best because, historically, positive discrimination has taken place in favour of white men from Oxbridge colleges and public schools? That is unfair and does not constitute promotion on merit alone.

Mr. Grieve: I hesitate to join the hon. and learned Lady in that criticism. I simply point out that the Under-Secretary appears to take the view that every effort has been made in the current system to ensure appointment on merit from the widest possible pool of those qualified. I have not heard him say that that is not happening. Indeed, it would be surprising if it were not, because that would constitute a criticism of either this Lord Chancellor or his predecessor. Indeed, going back to the Conservative Lord Chancellor before them, I seem to recollect some extremely creative appointments being made, and his not being criticised for that.

Mr. Beith: Does the hon. Gentleman recognise that it is a merit not only to have the highest levels of judicial ability but to add to the bench greater representativeness than it had before?

Mr. Grieve: I certainly agree with the right hon. Gentleman that we should not be doing our job properly if those who were capable of serving were being denied access to the higher ranks of the judiciary, for whatever reason. To that extent, I entirely agree with him that if the system can be improved so that there are fewer occasions on which anyone makes a complaint, that would be a good thing. Appointment on merit is the key criterion that must be observed, because ultimately judges are there to decide issues not because of their background, their race or their faith. The wonderful thing about this country is that that is exactly what has been happening for many years and we must ensure that it is preserved.

If we are to encourage people to go on to the higher benches of the judiciary, we must face the fact that, at the moment, many of them have to be asked to do so. The Minister will acknowledge that the current composition of the Court of Appeal simply would not be as it is if people had not been prodded—at the moment by the Lord Chancellor and sometimes the Lord Chief Justice—into accepting appointments that often involve a substantial diminution in their earnings. That is something that we shall need to consider carefully, because if the appointment system is simply going to involve filling in a form and answering an advertisement, I have a nasty feeling that many people who have the requisite talent and merit will be excluded from applying, either through diffidence or some other reason. This is another area of the existing flexibility that we must not lose through the mechanism of setting up a judicial appointments commission. We can look at that in detail in Committee.

Mr. Hogg: Will my hon. Friend note that a number of hon. Members, myself included, have considerable concerns about the procedure whereby complaints can be made to the ombudsman regarding the methods of selection used by the appointments board? This matter must be carefully scrutinised in Committee.

Mr. Grieve: I agree with my right hon. and learned Friend. Indeed, I apologise for not having touched on that matter. I was conscious of the passage of time and wished to allow adequate time for Back-Bench contributions. He is right—that is another area of detail that we need to examine.

The principle of the judicial appointments commission appeals to me and I am sure that it will lead to improvements, but the detail is important, and the fact that we support the principle should not, and will not, mean that we ignore the detailed problems associated with it. I have read the Bill and looked at the debates in the other place, and it has become apparent that there are complexities involved. Unless we get them right, we could end up with an appointments system that does no better than the present one. Indeed, it could contain flaws that the present one does not.

The Minister tells us that the supreme court will cost £30 million to set up. I suspect that that is a highly conservative figure. If we have understood him correctly, the court is heading straight into the Middlesex Guildhall, which is the one place that the Law Lords who support the idea of a supreme court do not want to go, because it would send out all the wrong signals about what they are and how they operate—*[Interruption.]* I give way to the Minister.

Mr. Leslie: I was expressing slight surprise that the hon. Gentleman thinks that it is the wrong place in which to have a supreme court. Parliament square represents pretty much the apex of our constitution, so perhaps he could elaborate on why it is the wrong preferred choice.

Mr. Grieve: The valid points that were made were that the building is an old guild hall. A number of its rooms have limitations in the way in which they can be adapted. They are not suitable for the sitting of a supreme court because the judges want to maintain the informal atmosphere that they currently enjoy in a Committee Room in the House of Lords. Most of the other accommodation is similarly unsuitable. Those points were made with some force not by me, but by Lord Bingham and it seems that the Government intend to ignore them. I find it a little surprising that as the new supreme court is supposed to send out a powerful signal of novelty—I mean that in the best sense of a new beginning—it is proposed to house it in a building that is not exactly a symbol of the supremacy of law.

The irony, as Lord Nicholls of Birkenhead made clear in his speech, is that many Law Lords find the setting in which they currently do their work extremely congenial because of both the accommodation and the signal that it sends out of how they conduct their business. It may be a bit cramped, but it is astonishingly cheap with £168,000 a year of overheads, compared with the Government's estimate of £8.8 million a year on overheads for the new supreme court. I shall need a lot of convincing from the Minister that the new idea has any merit.

Mr. David Heathcoat-Amory (Wells) (Con): Has my hon. Friend attempted to understand the notes on clauses about costs? If he has tried to read them, does he understand, as I do, that the extra capital and running costs will be reflected in higher court fees charged to litigants by the judicial system? Does that not contradict the Government's expressed wish to increase access to the justice system through lower costs?

Mr. Grieve: My right hon. Friend is right. Not only is that contradictory, but it seriously undermines a central

activity of government. The original compact between the state and the citizen—the principle by which we become citizens of a state—is that we have access to justice. It is an extraordinary state of affairs. I do not want to widen the debate too much this afternoon, but at present access to justice is becoming harder and harder for more and more people because of increasing restrictions on legal aid. Court costs are another mechanism by which access to justice may be seriously hindered and it worries me that the Government are approaching the matter in what can only be described as a commercial way. Access to justice is not a commercial matter.

Mr. Hogg: On the point about rising court fees, they have been raised substantially at county court level and in the High Court, and are a considerable disincentive to litigation.

Mr. Grieve: My right hon. and learned Friend is correct. It is a matter of anxiety and has been worrying me because, during the past month, I have received letters from solicitors and litigants indicating their level of concern. An extraordinary part of the Government's scheme is their attitude to the privatisation of justice. One inevitable consequence is that more and more matters will be resolved in other forums by arbitration and so on and, inevitably in such settings, it is the weakest and those with most need of access to justice who will be denied the justice that is an essential part of the coronation oath that underpins one of the reasons why this country and state exist.

Mr. Leslie: It is rich of the hon. Gentleman to lecture the House about access to justice on the very day that his colleague the shadow Chancellor proposed axing hundreds of millions of pounds from the legal aid budget. How on earth can the hon. Gentleman square his comments with that sort of removal of access to justice?

Mr. Grieve: The Minister is completely mistaken. The proposals are about the number of people in the bloated office that the Lord Chancellor is running; they have nothing whatever to do with cuts in legal aid. The Minister's comment is typical of the misrepresentation that comes from the Government.

Mr. Leslie: I think I very much understand the shadow Chancellor's proposals, which are to start closing down law centres, withdrawing support for citizens advice bureaux and scrapping the community legal service partnerships. How on earth can the hon. Gentleman get away with lecturing the House about how his party is, supposedly, the defender of access to justice?

Mr. Grieve: The Minister has clearly not read the paper. If he had done so he would have seen that the changes we seek concern particularly what we regard as the waste of money by the Lord Chancellor's Department and the Secretary of State for Constitutional Affairs, in spending money that ought to be spent on legal aid on a series of social projects up and down the country that are an ersatz replacement for the lack of availability of legal aid to individuals.

Mr. Garnier: My hon. Friend may recall the Access to Justice Bill that went through the House between 1998 and 1999, although he was not a member of its Standing Committee. It was a cruelly named Bill—it should have been the denial of access to justice Bill. The Government ripped up legal aid in any accepted and understandable form, denying huge numbers of the sick, the elderly and the poor access to justice. The Government said that they would rely on charities, citizens advice bureaux and law centres, but of course they cut funding to all those institutions. Not only did they deny public legal aid, but they denied any other route that was available to the poor, the sick and the elderly. The Minister then has the cheek to criticise my hon. Friend for advancing the Conservative policies that he has just been pronouncing.

Mr. Grieve: I remember the Bill very well and I agree with my hon. and learned Friend that the Government's comments ring particularly hollow. When they came into office in 1997, 60 per cent. of the population were eligible for legal aid; the figure is now 5 per cent. That is the measure of the change that the Government have presided over. The substitutes they have offered are, in many cases, not adequate.

Mr. Leslie: I want to be clear about what the hon. Gentleman is saying. Is he giving a commitment that a Conservative Government would not scrap any aspect of the community legal services partnership or support for citizens advice bureaux, legal aid work or law centre work? Is he giving that commitment?

Mr. Grieve *rose—*

Mr. Deputy Speaker: Order. We are starting to stray away from Second Reading. The hon. Gentleman may respond to that comment, but we ought to concentrate our minds on Second Reading.

Mr. Grieve: I assure the Minister that under an incoming Conservative Government access to justice, including legal aid for those who require it, will be better, better managed and more extensive than this Government provide at present.

Mr. David Kidney (Stafford) (Lab): Will the hon. Gentleman give way?

Mr. Grieve: No, I really must make some progress.

The Government's argument is that a supreme court must be set up because the position of the Law Lords is so anomalous at present, yet in fact it has unique characteristics that are beneficial to the way in which we do governmental business in this country. It allows the Law Lords to participate in debate in the other place and they have shown themselves—as I said to the Minister and he acknowledged at the outset—perfectly capable of choosing their words with sufficient care and choosing the debates in which they intervene sufficiently carefully to ensure that no criticism attaches to them. That is what the Minister wants to get rid of, but it has real value as a constant reminder in the legislature of the view of the judiciary. The oddity is that, as far as I am aware, instead of the Law Lords being able to express themselves in the House of Lords, the replacement

[Mr. Grieve]

position will be that the Lord Chief Justice will have to do it all for them—and not only there, but in the forum of press releases, for the fulfilment of which role he has already been allocated a press officer. I find that rather odd. We are shutting down what is a very controlled and ultimately beneficial way to ventilate issues of public concern, yet the Government acknowledge that, far from cloistering away the judiciary, they must make alternative arrangements.

Mr. Hogg: Does my hon. Friend agree with the proposition that, probably, in neither this Chamber nor the other place is there any person who has a wider knowledge of current legal practice than the existing Law Lords because they have legal expertise right across the spectrum of current legal problems?

Mr. Grieve: Yes, indeed. Of course, the Law Lords are helped in their work by the fact that they are present in the House of Lords, so they are intimately aware of current trends in the country—*[Interruption.]* Oh yes, and they have an opportunity to discuss matters informally with others. That is valuable, and I regret that the Government want to get rid of it for such a costly white elephant that, otherwise, will deliver exactly the same service. The Minister is asking us to vote for a Bill that will vastly increase the cost of an institution that will otherwise operate in exactly the same way, save for the removal of the Law Lords' rights to speak and vote, even though they have never been criticised for the way that they exercise them.

Vera Baird: The right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg) was incorrect to suggest that the Law Lords have a broad sweep of legal experience. There has not been a criminal lawyer in the House of Lords for quite a long time, as I am sure the hon. Gentleman is aware. Is not what he is saying inconsistent with the fact that half of the current Law Lords first, announced themselves, through Lord Bingham, to be uncomfortable with their current role in the Lords, and secondly, declined to speak at all, going beyond even the self-denying ordinance of 2000 because they simply think it inappropriate to mix their two roles?

Mr. Grieve: The final point reflects well on the Law Lords. The Minister wants to depoliticise the judiciary, but I am afraid that the debate conducted since the summer of 2003 has had the effect of pulling those in the judiciary—much against their will, I suspect—into an arena where they have had to express their views, and they have succeeded in doing so moderately and sensibly. I fully acknowledge that there are differences of view among the Law Lords about the best way to continue, although it is remarkable, given the Government's enthusiasm for this project, that about 50 per cent. of the Law Lords would very much like the Government to drop it. Clearly, there are mixed views and, ultimately, it is for Parliament to decide, but I cannot go back, face my constituents and tell them that the Government are setting up a very expensive institution that will deliver virtually the same service but with some considerable downsides.

Mr. Garnier: Is not the point that the hon. and learned Lady made a moment ago not overtaken by the fact that most, if not all, of the peers that the Prime Minister has appointed to the House of Lords who take the Labour Whip do not appear, speak or vote there? Surely, as they were appointed to do a political job, it is worrying that they simply fail to do it.

Mr. Grieve: My hon. and learned Friend is correct—and he reminds me of the first part of the hon. and learned Lady's question, which I did not answer. Of course, the lack of a suitable criminal judge among the Law Lords is perfectly curable under the existing system, especially as we would be willing to have a new system for the appointment of Law Lords if the Government so wished. That would tie in precisely with our views on the judicial appointments commission generally, although I accept that a separate body would operate. We have no difficulty with that.

We have indicated by our reasoned amendment that we consider that this Bill is not worthy of support in its present form. I heard the Minister's comments about the Lord Chancellor and what the Minister intends to do with the Lords amendments in Committee, and that reinforces my view that the sensible thing to do is to vote for the reasoned amendment.

When the Bill comes to Committee, we will do our best to improve it. I again ask the Government to reconsider, even at this stage, their position on which parts of the Bill are taken on the Floor of the House. If the Government want and are prepared to listen, they could, notwithstanding our reservations, still end up with a Bill that will command widespread approval and stand the test of time. However, the way that the Minister and the Government are going at the moment does not give me confidence that that will happen. The truth is that the Government will have difficulty in the other place when the Bill returns there, and they deserve that. It is a pretty fitting epitaph on the way that they have handled this matter.

5.30 pm

Ross Cranston (Dudley, North) (Lab): I declare my interest as a lawyer and part-time judge. I see one other Member in the Chamber who sits as a recorder.

I want to start with the important principles that are set out in clauses 1 and 4, which deal with the rule of law and judicial independence. It is vital that we focus on principle so as to build a system in accordance with principle. Other important values include equality before the law and access to justice, which has already been mentioned in the debate. There is an issue about whether the clauses would be justiciable, but the fact that they are in the Bill and will therefore be part of the Act is not just symbolic; the clauses are cardinal in our system.

How do we define the principles of rule of law and judicial independence? We can do so negatively. We can look, for example, at Zimbabwe. The Bar Council and other Bars around the world recently published a report demonstrating how there is no longer the rule of law in Zimbabwe. Mugabe has said:

"The courts can do whatever they want, but no judicial decision will stand in our way".

The report sets out how the independence of the judiciary and the rule of law have been corrupted. Judges who have handed down decisions adverse to the ruling party have been arrested, and up to 10 judges have left and hacks have been appointed in their place.

More positively, we have clear definitions in our law. On the rule of law, as lawyers we tend to go back to what Dicey said—that the rule of law means that no person is punishable except for a breach of the law established in the ordinary manner before the ordinary courts of the land. That contrasts with Zimbabwe, where there is arbitrary power and wide discretionary authority. Secondly, no person is above the law—the principle of equality before the law. Thirdly, the general principles of the constitution are the result of judicial decisions determining the rights of private persons.

In modern language, the rule of law means that the system has to accord with certain formal criteria. The law has to be promulgated to the public; it has to be prospective and not retrospective; it has to be possible to comply with its provisions; it has to be clear, coherent and stable; and the persons who make and administer it should be accountable for the way in which they administer it. One aspect of the rule of law these days is also said to be judicial independence.

As the criteria tend to be formal, some have said that we must also take account of substantive principles. Modern accounts of the rule of law thus include not only formal criteria, but the content of the rules themselves and the nature of the system. When the World Bank recommends new judicial systems to countries, it talks about the rule of law and tells them that they need democratic, open and transparent systems in which several political parties can contest elections. Additionally, public officials must be aware of the limits of their powers and act accordingly.

Judicial independence is mentioned in clause 4. At a basic level, that simply means in some countries that one should be able to buy goods and services, but not judges. The hon. Member for Beaconsfield (Mr. Grieve) mentioned the separation of powers, and I agree with him that Montesquieu got it wrong. It was interesting that he was concerned about the separation of powers because he did not want Executive and judicial power to be coupled to oppress citizens. Even in the United States, the separation of powers does not exist in a pure form because, for example, the Chief Justice of the Supreme Court would have presided over an impeachment trial of President Clinton. Bagehot was right—we have a fusion of powers. The fact that I sit as a recorder and a Member of Parliament shows that this country does not have a strict separation of powers.

None the less, the notion of judicial independence has force. That independence has individual and institutional aspects. The individual aspect is mentioned in clause 4(5), which provides that the Government should not seek to influence the specific decisions of judges. That is absolutely right because courts must be protected from actual or apparent interference by the Executive—there should be no back-door influence. Lord Mackay, a former Lord Chancellor, was right to say that the independence of the judiciary denotes not only independence from the Executive, but the independence of one judge from other judges. Clause 4(5) reflects the international consensus on the meaning of the independence of the judiciary that is set out in international instruments such as those promulgated by the International Bar Association and the United Nations.

There is a question about whether independence includes the concept of impartiality. Article 6 of the European convention on human rights uses the words "independent" and "impartial". Although some people have suggested that they are separate principles, I prefer to regard impartiality as an aspect of independence. Impartiality means of course not only that judges must not have personal biases or prejudices, but that they must exclude considerations that are not relevant.

A judge must mediate in disputes between citizen and citizen, and the citizen and the state. The institutional aspect of independence is recognised in clause 4(6). It says that a Minister or the Lord Chancellor

"must have regard to . . . the need for the judiciary to have the support necessary to enable them to exercise their functions."

Such support is absent in Zimbabwe because some of its judges have no facilities—several reports suggest that they sit in rooms without electric lights. Governments have an obligation to provide the administrative and financial support that is necessary for the judiciary to do its work.

An independent judiciary does not mean that judges come in with a blank sheet of paper, which is especially important when we consider widening the pool and increasing diversity in the judiciary. We want judges to have varied experience and a range of expertise. They must, of course, act in accordance with law and, according to the judicial oath, without fear, favour, affection or ill will, but that does not mean that they come without any views at all. In fact, it could be argued that the wider the range of experience that judges have when they come to the job, the better.

Judicial independence does not mean that judges are not accountable. The most important way in which they are accountable is that they have to give reasoned decisions, which are available to the parties and the general public. Judgments can be criticised, which is an important aspect of accountability. These days, judges have to be aware of the importance of acting efficiently; time is an important resource. Returning to the principle of access to justice, which I mentioned earlier, the fact that disproportionate resources are given to a few cases means that many outside the system do not get access to justice. Judges also have to be accountable if they are rude to litigants or counsel.

Independence does not mean that judges can decide what they want. They have to act in accordance with the law. Lord Scarman, one of the most prominent Law Lords of the 20th century, who recently died, said that it is not just a matter of deciding what is right; judges have to act in accordance with statute and the common law. If neither statute nor common law gives a clear answer, it is possible to reason by analogy. One cannot simply decide issues without any guidance from law whatsoever.

Mr. Garnier: The hon. and learned Gentleman is giving a very interesting talk. I wonder how far what he is describing of the current state of the judiciary and its independence will be changed, positively or adversely, by the Bill.

Ross Cranston: It seems to me that the Bill will provide a firm underpinning, especially in the principles set out at its very beginning, for the standing of our

[Ross Cranston]

judiciary. I will come on to that in a moment, and I will acknowledge that the standing of our judges is unrivalled, both in their merit and in the quality of their decision making.

I have said in earlier debates that there has to be mutual respect between institutions. Judicial independence does not mean that judges can completely neglect what Parliament, for example, says. Parliament, of course, has to respect judges' decisions, and we have rules about what we can say about judicial decisions and how we can criticise judges. Judges have to respect legislation, and there is no criticism of the position at present. In 2003, Mr. Rusbridger of *The Guardian* brought a case under the Treason Felony Act 1848, arguing that if he advocated republicanism he might be in breach of the Act. The House of Lords said that it was not for it to say that the Act was no longer extant.

There is also an obligation on judges to make decisions in accordance with law, even controversial law, and to respect institutional expertise. The recent case law on the Human Rights Act 1998 is very interesting. Judges have developed a notion of judicial deference in relation to some decision making by the Executive, especially when moving away from article 6 on purely judicial functions to some of the other articles, saying that they have to respect the Executive and Parliament. In the recent Belmarsh case, Lord Bingham said in relation to the notion of whether there was a public emergency to satisfy article 15 that great weight had to be given to the judgment of the Home Secretary, his colleagues and Parliament, because they were called on to exercise a pre-eminently political judgment.

Other aspects of the independence of the judiciary came up in debate in the other place. Should judges be appointed to inquiries, for example? I do not take any strong view on that. Recently, the Lord Chief Justice came to an agreement with the Lord Chancellor on how judges should be appointed to inquiries, so as to ensure that the standing of the judiciary is not undermined.

Once we have the principles right, we can move on to discuss in a more informed way some of the Bill's specific provisions. Let me come first to the supreme court. I confess that, initially, I had some misgivings about its creation. As I have said, the House of Lords is highly respected in its judicial capacity. No one could suggest that it has not been independent, even though those of their lordships acting in a judicial capacity have been Members of the House of Lords as a legislative body. If there were concerns, they could have been dealt with by, for example, the Lord Chancellor not presiding over the Judicial Committee or by the Law Lords not participating in debates in the House in its legislative capacity.

Having listened to the debates and having heard evidence given to the Constitutional Affairs Committee, I have been persuaded by what the Lord Chancellor has said, as I have by the comments of Lord Bingham and Lord Woolf. The creation of a supreme court, as Lord Steyn put it in a lecture a couple of years ago, is a "badge of judicial independence". The institutional separation that the supreme court represents minimises the risk of any public perception that judicial independence is compromised. Like the hon. Member for Beaconsfield, I do not give great credence to the article 6 argument. Although that argument might ultimately have been lost, I do not think that we should have regarded it as especially persuasive. However, in terms of the basic principles inherent in our common law system—the rule of law and the independence of the judiciary—a supreme court is an eminently sensible idea.

Of course, even if we get that far, that is only the start of the debate. What sort of body are we talking about? We are not talking about a constitutional court. We are not talking about something like the Bundesverfassungsgericht, the German federal constitutional court. The history and institutional arrangements there are quite different; there is a written constitution and a federal system. Similarly, in the United States, there is a mainly constitutional court. With more devolution and human rights cases coming up, the House of Lords or the new supreme court will deal with more constitutional issues. None the less we are not establishing a purely constitutional court, which would be concerned only with constitutional issues. Our tradition has been that constitutional issues are decided by the ordinary courts, which also decide matters of common law and statutory interpretation. It is absolutely right that that continue to be so.

There is an issue about whether we have a UK court. We now have a clear statement that we indeed have a United Kingdom court. As I understand it, the decisions of the court on cases from England, for example, will not be binding in the other jurisdictions—in Scotland or Northern Ireland. Of course, their persuasive force will be great—I need only remind the lawyers present of the important Scottish case of Donoghue *v.* Stevenson, which was accepted as binding in all jurisdictions.

Resources have been raised as an issue. We members of the Constitutional Affairs Committee were impressed by the system that governs the High Court of Australia—not only the resources available to the court, but the control that the court itself has over the allocation of resources. The supreme court must have a building appropriate to its status. Although it would be an inconvenience for the hon. and learned Member for Harborough (Mr. Garnier) and for me to be unable to sit there as recorders, it seems to me that, when refurbished, a building on Parliament square would be most appropriate to a supreme court.

Hon. Members have spoken about fees. I am not especially concerned about fees in a supreme court. The legal costs in most of the cases that go to such a court are so great that—unless someone has taken the case pro bono—the fees are infinitesimal. None the less, there is an issue about the principle of full cost recovery, which has not been debated by the House since it was introduced in the early 90s, and it would be appropriate to return to the subject at some stage.

The supreme court will not sit en banc. That is partly because judges, in the past, also had to sit in the Privy Council, and partly because there was a separate panel to hear leave applications. I have no difficulty with that continuing.

It is no secret that I have not been completely happy with the approach to appointments. Although it is not enshrined in the Bill, it is accepted that there has to be geographical representation: just as in Canada there are always three judges from Quebec, it is acknowledged

that there will have to be representation on our supreme court from Scotland and Northern Ireland. My concern centres on the fact that the appointments commission is to put only one name forward. I have argued in the Constitutional Affairs Committee—I divided the Committee, and it accepted the view—that a number of names should be put forward. That is because the judges who are appointed to the supreme court will make extremely important decisions on tax, civil liability and contract as well as on constitutional issues. In my view, greater democratic input is needed. I agree with Professor Robert Hazell, who gave evidence to the Lords Select Committee. He said:

"I strongly believe that ministers should continue to be involved in judicial appointments and have a bigger say than is now proposed and so should Parliament in its classic scrutiny role. On the executive having a choice, it is very important for the executive to retain a role in senior judicial appointments primarily so that the Government itself should retain trust and confidence in the judges."

An additional argument is that such an approach offers additional protection for judges: if they are appointed by politicians, politicians might be inhibited from criticising them too much, whereas if, in effect, judges are appointed by the commission—the Minister will have only a veto—they might be subject to greater criticism.

Before I discuss the judicial appointments commission, I should declare the interest that I was a member of the Commercial Bar Association group that made a detailed submission on the subject last year. I was pleased to hear that the hon. Member for Beaconsfield is generally happy with that part of the Bill. I was not surprised to hear that, because we have reached the present position through evolution. The Law Society called for reform in the early 90s. Lord Mackay as Lord Chancellor opened up judicial appointment by advertising for circuit court judges. Lord Irvine appointed a Commissioner for Judicial Appointments, and Sir Colin Campbell has reported on a number of occasions. The system has been brought generally into line with modern principles of appointment, with equal opportunities and feedback for those who are disappointed. Lord Irvine also instituted the annual publication of a report on appointments. In a way, the proposals in the Bill build on the principles of openness and transparency that already operate. Scotland has a judicial appointments body and Canada has commissions that recommend appointment in some of the provinces and at federal level.

There are issues surrounding composition. The Constitutional Affairs Committee took the view that the commission ought to be chaired by a lawyer, but the concordat between the Lord Chief Justice and the Lord Chancellor concedes that a lay member should chair the body, so we have to accept that. There has been some discussion about the extent to which the Lord Chancellor can issue guidance, and the Joint Committee on Human Rights states, at paragraphs 1.54 and 1.55 of its report, that guidance by the Lord Chancellor would breach the independence of the judiciary. I reject that view. There can be no human rights-based objections to the Lord Chancellor giving guidance to the judicial appointments commission.

Merit is the cardinal principle. We cannot have a representative judiciary. Just as I want the best person to do brain surgery on me, I want the best judges. None the less, diversity is not inconsistent with merit. The excellent 2004 consultation paper "Increasing Diversity in the Judiciary" demonstrates the increase in the number of women and ethnic minority lawyers appointed to the judiciary—for example, Mrs. Justice Linda Dobbs was the first black female appointee to the High Court. I commend my right hon. and noble Friend the Lord Chancellor for quickening the pace of increasing diversity.

I take the point made by the hon. Member for Beaconsfield, but I would put it more colloquially: we have to beat the bushes—we have to encourage people to apply. Some people might, for some reason, be dissuaded from applying. My concern about the judicial appointments commission as proposed is that only one name will be put forward. My argument is the same as I advanced in relation to appointments to the supreme court: it seems to me that democratic accountability would be better served by more than one name going forward to the Minister or the Lord Chancellor.

Both in terms of the principles that I outlined at the outset of my speech and in terms of the bulk of its details, I think that the Bill is an appropriate measure to put to the House. I shall certainly support it tonight.

5.59 pm

Mr. David Heath (Somerton and Frome) (LD): It is important for Members who are not lawyers to contribute to the debate; otherwise, there is a danger that it will become a dialogue between hon. and learned Members, and the measure is far too important for that to happen.

At the outset, I should say that the Liberal Democrats support the Bill—but, my goodness, the Government have made it difficult for us to do so during its genesis. I do not accept the enormity of the problems portrayed by the Conservatives, and I do not believe that the supposed furore extends far beyond people with a particular and special interest in the proposals. Indeed, although excellent points were made in the debates in another place and by the Committees that considered the Bill, there was a great deal of trade unionism—people protecting their own interests rather than looking at the wider aspirations of the proposals.

The Bill is an important measure in anyone's book. The Lord Chief Justice, Lord Woolf, has been cited a couple of times already, but it is worth underlining what he said on 7 December in the House of Lords:

"the Bill marks a gigantic step forward in our constitutional arrangements. Above all, it means that the future independence of the judiciary will be safer than it has ever been."

We support that important aspiration. Lord Woolf went on to say:

"if we value an independent judiciary and its task in protecting our personal freedoms, we should ensure that this Bill reaches the statute book."—[*Official Report, House of Lords*, 7 December 2004: Vol. 667, c. 759.]

That does not display the doubts which, it was intimated earlier, the Lord Chief Justice entertained. Of course he had doubts in the initial stages, but they have been resolved by patient consideration of the Bill in another place.

Mr. Grieve: Does the hon. Gentleman agree that the Lord Chief Justice was concerned that there was a serious risk that there would be no end to the legislation? A hiatus was created when the Prime Minister tried to strike off or delete the post of Lord Chancellor in summer 2003. That was, and is, one of the major concerns of the Lord Chief Justice, and it may be one reason why he wanted to bring the matter to a conclusion.

Mr. Heath: I do not think it is for the hon. Gentleman or me to ascribe any further motivation to the Lord Chief Justice, and it would be unwise to do so. I am quite sure, however, that he shared the widespread concern about the way in which the proposal was introduced. The hon. Member for Nottingham, North (Mr. Allen) said in an intervention on the Minister that the Government had been urged to introduce the proposal for a long time—it had been subject to undue delay, but it was not a back of the envelope job. The sad news, however, is that it was both. Yes, the proposal was long overdue, but equally, it was produced on the back of an envelope, because the Prime Minister chose to make fundamental changes to the structure of government on the basis of poor or non-existent advice.

In my capacity as Liberal Democrat spokesman on constitutional affairs, I often ask people two questions. First, what is the link between the highest levels of the judiciary and my constituency? The answer is that the statue of justice on top of the Old Bailey was made in Frome. Secondly, who was Lord Chancellor in 1075? I am relying on various websites for the answer, as I cannot find any historical details about the brief occupancy of the Lord Chancellorship in 1075 by Baldrick. Everything about the introduction of the proposals smacks of the character of Baldrick in "Blackadder". As hon. Members will remember, he always had a cunning plan. This was the Prime Minister's cunning little plan, but it was rather a bad one, as it involved announcing the abolition of the post of Lord Chancellor without, apparently, a single thought about what would happen next. Indeed, the announcement was made on 12 June 2003, but it was not until 14 July 2003 that we finally had a White Paper that gave substance to the Prime Minister's spurious suggestions.

Mr. Gummer: Has the hon. Gentleman not underestimated the difficulty? When Baldrick had a cunning plan, he usually gave some evidence of thinking it out. The problem with this cunning plan is that when it was announced, there was no evidence that anyone had given it any thought at all.

Mr. Heath: I agree with the right hon. Gentleman, but I fear that I will become lost in a metaphorical wilderness if I pursue the Baldrick theme too far, so I hope that he will excuse me.

Not only did the proposals lack any substance other than a relabelling, which was palpably inadequate to deal with substantial constitutional change but, even worse, people who should have been consulted were not aware that an announcement was about to be made. The Lord Chief Justice had clearly not been consulted, and neither had the senior judiciary. No one in Scotland was consulted at all, despite the fact that the proposals had implications for Scottish constitutional arrangements. That is a serious criticism both of the way in which the machinery of Government operated under the Prime Minister's edict and of the readiness to put into effect a fundamental change to our constitutional arrangements.

Consultation has now taken place, and it has been extraordinarily productive. We should give credit to everyone who has been involved in the discussions. In particular, the senior judiciary have been remarkably sensitive to the intentions of the Government, who have made a sensible response to those concerns. The concordat, which has been mentioned several times, is crucial, and it underlies our position on the Bill.

I do not wish to speak at inordinate length in a debate that has already taken up considerable time, but I shall look briefly at the proposals. The first does not concern the Bill itself, but the Department for Constitutional Affairs, which we christened "Decaff". People in the Department do not particularly like that abbreviation—which only encourages me to use it—but it is apt, because of its "justice lite" brand, as opposed to the full-bodied equivalent . We have argued for a long time that we need a proper Ministry for Justice, which would encompass the responsibilities of the Department for Constitutional Affairs but would also go much further, taking a large chunk out of that monolithic bailiwick, the Home Office. Responsibilities that are not appropriate for a Minister with executive responsibility for the police and investigative services would be removed to a protected area, where the proper concerns of justice and the relationship between the citizen and the Executive could be taken into account. Our principal criticism, therefore, is not about the establishment of a new Department but about the fact that it does not have the scope to do the job that we would like it to do.

Secondly, we are anxious about the constitutional position of the Lord Chancellor—a post that was abolished in a day, but is now to be restored and maintained in perpetuity. There has been a great deal of debate about the doctrine of the separation of powers and, as hon. Members on both sides of the House are aware, such a doctrine is not current in our political philosophy, although it is in other countries. Surely, however, we have a concept in our political affairs of the de facto separation of matters that are properly the province of the judiciary and those that are properly the province of the Executive and the legislature.

It was an anomaly of staggering proportions to have in one person a Cabinet Minister with executive power—a member of the Executive—as both the head of the judiciary and the Speaker of a House of the legislature. We only have to imagine for one moment arguing in a newly formed democracy that that was the right way for it to organise its affairs to realise what a constitutional anomaly it was. I am personally glad that the anomaly has at last, partially, been resolved. That is something that I have called for over many years, and I shed no tears for the judicial role of the Lord Chancellor, which I think was largely illusory in any case.

I part company with those who say that Lord Chancellors have never exercised their powers in a partisan way. The hon. Member for Beaconsfield (Mr. Grieve) was right to say that over the past 25 to 30 years we have had excellent Lord Chancellors who

have not exercised their powers inappropriately. However, I am sure that he would agree that in the early part of the 20th century there were Lord Chancellors who were anything but entirely open and transparent in the way in which they exercised their powers.

Mr. Grieve: I entirely agree with the hon. Gentleman. Until after the second world war it was considered perfectly proper for a Lord Chancellor to exercise a degree of political patronage in judicial appointments. Times have moved on. That shows how evolution can take place within existing structures in our constitution by convention that subsequently become irreversible.

Mr. Heath: If it is irreversible, let us make that clear in our statutes. That is an argument for the measure, and I think that there was scope for abuse.

I have difficulties with the notion that the Lord Chancellor has to remain as the Secretary of State in charge of a major Department of State, in the House of Lords. I have problems with that on a number of fronts. I think that as a matter of principle, Secretaries of State should be answerable to this House. I am sorry that not everyone agrees with that, but I think that that should be the position. With all due respect to the Under-Secretary of State for Constitutional Affairs, the hon. Member for Tottenham (Mr. Lammy), who is sitting on the Government Front Bench, I do not think it is right that this major Department of State can answer to this House only through the person of a junior Minister. The Secretary of State should be available to us for questioning.

I find it difficult to countenance any Secretary of State being in the upper House. That is my personal view. I cannot understand the position of those who criticise the present Lord Chancellor by saying that he is one of the Prime Minister's cronies and used to be his flatmate, which played a part in his appointment. I think that the present holder of the position often does a very good job, but that is a common criticism. Why, then, would he want to institutionalise that arrangement, so that every future Lord Chancellor—every future Secretary of State for Constitutional Affairs—had to be a crony of the Prime Minister of the day, because only by that patronage does anyone appear in the other place?

That is an extraordinary anomaly. There is a further anomaly, and I have to say that the hon. Member for Beaconsfield rather ducked it when he was intervened on by one of his hon. Friends. If the Conservatives wish to see an upper Chamber that is 80 per cent. elected, why is it all right to have a Secretary of State—a Lord Chancellor—who is elected and sits in the upper House, but not all right to have a Secretary of State who is elected but sits in the lower House? Where is the constitutional logic of that position? I do not think that there is any logic.

Mr. Grieve *rose—*

Mr. Heath: I give way to the hon. Gentleman. Perhaps he can persuade me.

Mr. Grieve: I leave to one side the composition of the upper House after any reform that a Conservative Government might carry out, but the hon. Gentleman is missing the point. By virtue of taking the oath, irrespective of whether the Lord Chancellor is elected or not, he will not be able to have a further career in politics thereafter. That is the central point: the Government do not wish to see that happen. It is a question about the career of the person who holds the office, and the sensible place for him to be is in the House of Lords.

Mr. Heath: I am much more content to ensure that the Lord Chief Justice is genuinely independent of the Executive, is genuinely independent of the legislature and carries out many of the functions that give rise to concern in the hon. Gentleman's scenario, rather than being Secretary of State for what I would wish to be a Ministry of Justice. Under the present arrangements it will be a Department for Constitutional Affairs.

Mr. Hogg: I do not want to disparage the Lord Chief Justice or other holders of that office. I am sure that the hon. Gentleman will recognise that much of the debate is essentially of a political character, as between the holder of the office of Lord Chancellor and the Home Secretary. The problem is that the Home Secretary's office is extremely powerful. What we need to set against that office is the authority of somebody else who is in a position to bear down on the Home Secretary, and persuade his Cabinet colleagues to disagree with him. There are advantages, therefore, in adopting the suggestion of my hon. Friend the Member for Beaconsfield.

Mr. Heath: I am grateful to the right hon. and learned Gentleman for his comments. I listened to him with a great deal of respect. It is precisely for that reason that I do not want to see a Lord Chancellor without any great status within the pecking order of the Cabinet because of the relatively junior status that has been accorded to the Department for Constitutional Affairs—and without the merits of an electoral mandate, too—being bullied by a Home Secretary. I take exactly the point that the right hon. and learned Gentleman has made. I think that we would be better served by having a strong Cabinet Minister answerable to the elected House with a mandate of his or her own to counter the weight of the Home Secretary. We should also rearrange the functionality between the two Departments so that the Home Office is cut down to size and the Department of Justice—as I would have it—is a much more significant body. That is a genuine disagreement that we can hold. I think that we can both agree that there is a need for the person who heads the Department to have sufficient status and weight to be able to hold their own.

I shall now move on to the Supreme Court—

Mr. Kidney: To be clear, before the hon. Gentleman moves on, given the Liberal Democrats' support for a full-blown Ministry of Justice, may I take it that he believes that the Lord Chancellor does not need to be a lawyer to hold that position.

Mr. Heath: That is my view. That is the view that I will express in Committee when we reach that stage. I do not want to mislead the hon. Gentleman, and I will make it plain that some of my noble Friends, many of whom have legal qualifications, take a different view. However,

[Mr. Heath]

from this Bench in this place, I shall express the view that the legal qualification is not a necessary part of the equation.

I now move on to the proposals for the Supreme Court. This is a significant move but not a revolutionary one. It is absurd to suggest that it is. It is confusing and pointless that we have a Supreme Court already, with absurd names such as the Appellate Committee of the House of Lords and the Judicial Committee of the Privy Council acting in its constitutional role, and we choose to call the members of the Supreme Court the Lords of Appeal in Ordinary. Lords of Appeal in Ordinary is exactly what they are not, and nobody should suggest that they are.

We have a senior court which is not the House of Lords despite the fact that people think that it is. It is a separate body of judges that happens to sit, rather uncomfortably, within that edifice. It has an entirely different function, as has already been argued in this debate, and very often Law Lords do not exercise their role within the legislature, and nor should they because that puts them in an invidious position in dealing with their primary responsibilities.

We have fictions built on fictions built on fictions. Because I believe that we should be a modern democracy where things are as clear as possible—although nothing in the law can be entirely clear—it is helpful to the general public to understand that we already have a Supreme Court that is a separate entity and fulfils a particular function, and that the members of that Supreme Court are the senior judiciary of the land.

As regards judicial appointments, I wholly support the proposals, with one caveat. In Committee we need to do justice to the concerns expressed by Sir Colin Campbell and the Commission for Judicial Appointments about the structure and role of the proposed judicial appointments commission. We ought to be careful to assess the validity of those concerns.

In general terms, there is much to support in the proposals. I welcome the enhanced role of the Lord Chief Justice. As I said, I should like to explore whether the Attorney-General should have further express duties. The holder of that office sometimes plays a more significant constitutional role than we give credit for. It is a developing role, and transparency and clarity about what is expected of the Attorney-General, particularly in giving unequivocal advice, perhaps when that is not sought, on the appropriateness or legality of Government actions, might be an enhancement of the role.

Mr. Grieve: The role of the Attorney-General as the sole proper legal figure in Government has clearly been enhanced by the fact that the Lord Chancellor's role has been so dreadfully diminished. The two go together, which is one reason why the Lord Chancellor's office should be preserved.

Mr. Heath: Or the Attorney-General's office enhanced, as I said. There is more than one way of achieving the same objective.

Mr. Hogg: Will the hon. Gentleman give way?

Mr. Heath: I was trying to be brief, but I shall give way one last time.

Mr. Hogg: I would not want to discourage the hon. Gentleman from being brief, but does he accept that there is in principle much to be said for the Attorney-General sitting in this House, and that whenever possible the Government should appoint as Attorney-General someone who is in this House?

Mr. Heath: It will not have escaped the notice of the right hon. and learned Gentleman that I believe that all Ministers should be appointed from this House. That is not my party's position, but it is my position. An upper House should be free from any patronage in the form of ministerial preferment, and ministerial appointments should be drawn from the elected House. Accountability is important, but that is not the situation at present. It could be argued that ministerial appointments solely from this House would limit the number of potential applicants for the role. This will not happen in my lifetime, but there could be a Parliament in which no legally qualified Members were returned by the electorate. That would cause the Government some difficulty—although it has not happened yet, and I doubt whether it will happen in the immediate future, judging by recent experience.

I have long advocated Middlesex Guildhall as the right place for the supreme court. I do not understand why anyone should consider it so self-evidently the wrong place. I understand that there are issues concerning the internal decorations of the place, difficulties with its listed building status, and the fact that the potential members of the supreme court will want a level of informality that is not entirely consistent with the rather austere and formal trappings of a court. Nevertheless, there is considerable symbolic importance to the fact that the court would be situated in Parliament square, in the centre of our democratic system, so that Parliament square would be flanked by at least four of the great estates of the realm—the House of Commons on one side, the Church in the form of Westminster abbey on another, the supreme court on another and, God help us, the Treasury on another.

Mr. Garnier: I intervene not because, like the hon. and learned Member for Dudley, North (Ross Cranston), I from time to time sit as a Crown Court recorder in the Guildhall, but to ask the hon. Gentleman whether his views about the suitability of the Guildhall have been informed by a visit to it. Has he been round it inside, as opposed to simply looking at it from the outside?

Mr. Heath: I do not deny that there are difficulties, but they can be overcome. That is the position that the Government have now adopted. The debate has been wonderfully amplified by having a recorder on each side of the Chamber, acting in stereo. I hope the hon. and learned Member for Harborough (Mr. Garnier) will have a chance to contribute to the debate formally.

Will the Minister confirm that under the Bill as it is formulated there will be two supreme courts—the supreme court of the United Kingdom and the Supreme Court of England and Wales? Will he confirm that he will remove one of those nomenclatures before the Bill reaches its final stages, as there is the potential for confusion with two "supremes" in one statute.

It is extremely important that we get the funding right. I will not tease the hon. Member for Beaconsfield about how he would achieve cuts in the Department. That was dealt with in an earlier intervention. We cannot allow the important process of justice to be curtailed by a lack of funding. The funding must be predictable, so that those who administer the court can do so with certainty.

Mr. Grieve: Will the hon. Gentleman give way?

Mr. Heath: I was trying to take less than an hour over my contribution, but I will give way.

Mr. Grieve: Clearly, savings will not be achieved by spending an extra £8.8 million a year funding a supreme court which, as I explained, is not necessary.

Mr. Heath: The hon. Gentleman has his view. He also has his calculation of the marginal costs after the establishment of the supreme court, as opposed to its predecessor bodies. I am not convinced that that is an accurate representation. The Conservatives may be putting together figures that are not realisable, in a desperate bid to find potential savings in order to present themselves as a tax-cutting party. There is a danger that the debate will become overly partisan, which is not my intention.

Mr. Kidney *rose—*

Mr. Heath: I shall give way for the very last time to the hon. Member for Stafford (Mr. Kidney).

Mr. Kidney: I am grateful to the hon. Gentleman for making me the last person to whom he gives way. This is the intervention that the hon. Member for Beaconsfield (Mr. Grieve) would not take from me. Do not the Conservative costings deliberately exclude the staff and judicial salaries costs from the present system, but add them on to the costs of the new supreme court? They should, of course, be in both calculations.

Mr. Heath: That is precisely the point that I was making about the marginal cost increase. The hon. Gentleman is right. We can all do fuzzy maths, but it achieves nothing and people see through the credibility or otherwise of such proposals.

On full cost recovery, the hon. and learned Member for Dudley, North (Ross Cranston) was wrong. We have debated the matter. I tabled amendments to the Courts Bill, now the Courts Act 2003, to deal with full cost recovery, which is a serious matter. The idea that litigants in civil actions must pay, for instance, an apportionment for the upkeep of the royal courts of justice is an absurdity that we need to address. I, for one, am not prepared to see the costs of court action being put beyond the means of most ordinary people seeking justice. There is a real fear that that will happen, and the same will apply to cases that are brought to the supreme court under these proposals.

There is much to welcome in the proposals. There is certainly much to welcome in the concordat that was arrived at with the senior judiciary, and it would be foolish of us to seek to unpick that concordat in Committee or during the Bill's later stages unless we have very good reason to do so. I shall not resile from my position that the Department for Constitutional Affairs should take a greater role—a matter that I shall debate further—but we shall support the Bill, although not the time allocated to debate it, and we shall resist those who oppose it, either through blind reaction or sectional interest, which are unworthy of the considerable constitutional advance that the Bill represents.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. Let me offer a word of comfort to right hon. and hon. Members. Provided that everyone does not take a minimum of 29 minutes, there will be ample time for contributions to be made to the debate. I call Mr. David Kidney.

6.31 pm

Mr. David Kidney (Stafford) (Lab): Thank you, Mr. Deputy Speaker, especially for that advice.

If anyone looks at the Register of Members' Interests, they will see that I have only one entry, which is as a non-practising solicitor, so I have no practical interest in the debate. However, as a former solicitor, I strongly support the Law Society's long-running campaign for more judges to be appointed from the country's body of solicitors. If I mention that from time to time during my contribution, that is the reason. It is certainly not from any personal expectation of reward if more solicitors become judges.

I welcome the Bill's commitment to the rule of law, which my hon. and learned Friend the Member for Dudley, North (Ross Cranston) dealt with at some length in his contribution, and the statutory pronouncement of judicial independence, which is an improvement on the present status of the law and gives a statutory underpinning to the safeguards that we enjoy—the safeguard against arbitrary government, the safeguarding of our human rights.

On the separation of powers, those hon. Members who have mentioned Charles-Louis de Secondat, Baron de Montesquieu (1689–1755) have been unfair to the gentleman, who was an influential philosopher and a judge—as it happens—in France and whose influence was sufficiently long-lasting for his views on the separation of powers to be accepted quite fully in the writing of the original American constitution. It is true that he had an idealistic view of the benefits of the so-called separation of powers in this country at the time that he viewed it, which I think was in 1748, but he probably was not that far wrong at that time in the development of our unwritten constitution. As a snapshot at that time, the Executive were very much represented by the Crown and the Ministers who advised the Crown, the legislature was a nascent and growing House of Commons and, effectively, an established House of Lords, and the judges were independent of both, which was what impressed him in his thinking and writing. Time has moved on and he did not foresee the growth of an Executive with the legislature in this country. What is so different here today is the way in which the Executive dominate the

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legislature. Happily, the Executive do not dominate the judiciary, and the Bill is here to ensure that no future development in our unwritten constitution changes that. That is why the Bill is welcome.

Just to finish with the Baron, he did say:

"The political liberty of the subject is a tranquillity of mind",

and on the loss of liberty he said:

"there is no liberty if the power of judging be not separated from the legislative and executive powers."

I agree with him on that.

Mr. Jonathan Djanogly (Huntingdon) (Con): I thank the hon. Gentleman for giving way. Did he not also approve of the American system where the separation of powers goes somewhat further than the Government are proposing, particularly in relation to the Executive and the legislature?

Mr. Kidney: I take it that the hon. Gentleman is asking whether I approve of the American constitution. I am simply happy to say that I prefer living in this country and I enjoy its constitution much more.

It is right that the position of Lord Chancellor should be filled by someone who no longer sits as a judge, no longer acts as the Speaker of the House of Lords and no longer carries personal responsibility for the appointment of members of the judiciary and Queen's counsel. It is right to impose a duty on the Lord Chancellor, whoever that may be in future, to uphold judicial independence. It is brilliant that the Bill goes beyond that and imposes the same duty on all other Ministers and all other persons who may have an influence on the administration of justice, but I see no reason why we should require the Lord Chancellor to have a legal qualification or to sit in the House of Lords. I am absolutely with the hon. Member for Somerton and Frome (Mr. Heath) in thinking that it is far more desirable in terms of democratic accountability that a Minister of State should be in this House at this Dispatch Box facing questions from elected representatives of the people.

In future, judicial appointments will, by statute, be required to be made solely on merit and to require good character. That incorporates in statute what we presently practise, so that is correct and desirable. The statute is welcome because it includes those words, but a system of appointment must also be transparent, fair, efficient and independent to command widespread public confidence, so it is essential to ensure that the recruitment process itself attracts the broadest possible field of candidates. The judiciary tends to continue to attract those who look like the present incumbents. There are too few women, too few lawyers from ethnic minorities and I repeat that there are too few solicitors.

I give credit to those who have steered the process to reach the point that we are at today, beginning with Lord Mackay, who was mentioned by my hon. and learned Friend the Member for Dudley, North, who introduced the advertisement of vacancies and competition for appointment in 1994. That was a welcome first step in a process that has since moved on. Hon. Members will appreciate that Lord Mackay was a member of a Conservative, not a Labour, Government, so I like to think that there would be cross-party support for the development that has since taken place.

By 1998, Lord Irvine, as the Lord Chancellor, was able to end the invitation-only system of appointments to the High Court bench. He was able to change the age limits for applicants and some of the sitting requirements for part-time judges—for example, block sittings—so as to be more flexible in accommodating people who would have found the previous system too restrictive for them to apply to be judges. He was also able to introduce the requirement that allegations of misconduct or serious criticism against an applicant had to be specific and backed by evidence or be ignored. He was able to introduce a lay input into the recruitment process itself, and, as my hon. and learned Friend said, he introduced the annual report to Parliament about the appointments process—again, desirable developments moving in the right direction. When he was still Lord Chancellor in 2001, it was Lord Irvine who introduced the present independent Commission for Judicial Appointments.

In terms of the continuation of the development and praise for it, I should add that the present Lord Chancellor has introduced the proposals in this Bill, themselves subject to widespread consultation before their introduction, showing that we continue to move in the same direction.

The existing commissioners for judicial appointments support further progress in this direction. In their last annual report in October 2004, they called for the continuation of the independent audits of the recruitment process, and both I and the commission look forward to a speedy extension of the new system to more of the appointments to lower judicial offices. The significance of that is that the commission could be criticised for not understanding what is going on in the legal profession lower down if it has no responsibility for the appointment of those judges. Broader experience and knowledge of the developing pool of judicial talent would help the commission to make future appointments higher up the judicial system.

I hope that the judicial appointments commission will make further improvements on fairness and transparency, continuing the good work that has been done to date. I hope that it will integrate diversity into its recruitment work, because I strongly believe that diversity reinforces merit and does not detract from it. I hope to see continued structured and accountable methods of collecting views from the judiciary on candidates who are suitable for office. I also hope that it will introduce further audit trails on how selection decisions are reached. Parliament and the Lord Chancellor can help to secure improvements such as helping to ensure diversity, consistent with merit, in the future judiciary.

Clause 58 covers the guidance that may be given to the commission and to selection panels for the most senior judges. Guidance may be issued on identifying persons who are willing to be considered for selection and on assessing them. The Bill states that the purposes for which guidance may be given

"include the encouragement of diversity in the range of persons available for selection."

My hon. Friend the Member for Leicester, East (Keith Vaz) asked the Minister whether he will assure the House that the good progress that I have recounted will continue. The best answer that the Minister could give would be that the Government will be active in using guidance to ensure that such work continues.

On the procedure for issuing guidance, which involves not only the Minister but Parliament, clause 59 requires the Minister to

"consult the Lord Chief Justice"

and

"lay a draft of the proposed guidance before . . . Parliament."

The guidance must be approved by affirmative resolutions of both Houses of Parliament before it is given to the commission and to the selection panels. Clause 58 states that the panels and the commission must have regard to any guidance given. For the sake of completeness, the guidance may be revised and reissued too.

After the change from the present voluntary commission to the statutory commission, the old voluntary commission will be left with complaints, which will be dealt with by a new judicial appointments and conduct ombudsman, who will, to all intents and purposes, cover the commission's present complaints role.

One worrying omission, which I hope is put right in Committee, is that the Bill does not include a provision covering the voluntary commission's current role in auditing future judicial appointments competitions. Part of operating fair recruitment processes will be understanding what is going well and what is going wrong, which will require somebody to continue the audit practice of the present voluntary commission in the new system, because the Bill does not charge anyone with that responsibility.

I welcome the Bill and the proposal to introduce a new supreme court. I agree with the Joint Committee on Human Rights that a supreme court with justices barred from sitting in the House of Lords will make it less likely that violations of the European convention on human rights occur in practice. I hope that Middlesex Guildhall becomes the home of the new supreme court and look forward to 2008, when the collection of buildings in Parliament square will become even more impressive, demonstrating in both the geographical and political landscapes that the tranquillity that Montesquieu discussed in 1748 has come to Westminster, the home of democracy.

6.44 pm

Mr. John Gummer (Suffolk, Coastal) (Con): When the Government propose a major constitutional change, they must first explain that the problem is real and that it is worth taking such trouble over. The Minister is always charming and careful when he puts the case to the House, but he found it difficult to bring together two contradictory concepts. He wanted to assure us that everything has been okay for some time, that the judicial system is fair and that the judicial system has not been affected by party political considerations. Although such an example would have been to some extent anomalous, he could not point to any particular uncertainty in the law because of political involvement.

The Minister went on to say that the structure has caused discomfort and a lack of entire happiness for many years and that it needs radical modernisation. I am sure that one could make the case for tidying up most things, but we should be concerned with priorities and my worry is that the matter is not a priority. Given that the judicial system is right in principle, it is not the issue to go for, given the large number of other things that I can recommend the Minister to do, although, in fact, he himself would not have to do most of them. I would like a considerable extension of environmental policy to do something about climate change rather than talking about it. I can suggest a range of real priorities—we could, for example, improve the standard of our built environment, given that we are building so many houses.

The Minister has not established the fundamental basis for the Bill or explained the real reason for it. He said that the matter is difficult and that people misunderstand it. He said that, if one were to introduce a new constitution, it would be jolly difficult to argue that it should be the same as our system, but he would also find it difficult to argue for a constitutional monarchy or an established Church. I have no interest in those two subjects and no interest in the Bill, because I am not a lawyer—I have never wanted to be a lawyer and think that there are too many lawyers in the House. I am perfectly happy to discuss the matter and am not arguing on behalf of a vested interest.

It is peculiar to argue that everything has been okay, but we must have radical change because we cannot export our constitution to the rest of the world. The Minister has missed the fundamental nature of our constitution—that it is evolutionary, that it produces over time a series of checks and balances and that it is not written because it largely relies on conventions that people continue to observe.

Mr. Garnier: I do not want to interrupt the flow of my right hon. Friend's speech with an indelicate intervention, but legal services are a successful invisible export from this country and overseas litigants are encouraged to come to our British courts in London to litigate their disputes. There is no guarantee that the great kerfuffle caused by the Government will enhance that invisible export one jot.

Mr. Gummer: I am not expert on the size of those exports or their invisibility, but the present situation does not seem to put off people from abroad who ask for British law to be the basis of the interpretation of contracts and the like; indeed, the system appears to work quite well. On the question of practicalities, the people whom the Minister prayed in aid—the people from far beyond the seas who supposedly would not understand it—have not found it difficult to see that the system works. Indeed, only last week I perused a contract signed by a previous chairman of the company on behalf of somebody whom I employed. Although the company was French, the contract was to be understood in the context of English law and any argument about it was to be heard in the English courts. As the French today—leave alone Montesquieu—find it easy to understand that the system works pretty well, it is reasonable to think that it is not too bad. It may not be perfect—I am sure that the hon. and learned Member

[Mr. Gummer]

for Redcar (Vera Baird) will mention several aspects that she would like to improve—but that is true of most of life. The Minister has not explained why this change, with all its ramifications, is a sufficiently necessary or successful alternative to be considered by this House.

The Minister has not established the first point—that there is a real problem that needs immediate and fundamental resolution in this House. The second point that he must establish is that, having identified such a problem, he has made a considered response. Here, I very much sympathise with him. He had obviously thought carefully about how to deal with the fundamental difficulty that the issue was not introduced in the most felicitous of manners. I am sure that deep in his heart he said to himself, "I wouldn't have done it this way myself. I wouldn't have suddenly announced something that I had not talked to anybody about, not thought about much, and did not know much about, and then found myself in a mess so that my best friend had to go off and explain to people that what he had said was not quite what he had meant." This started off in a very embarrassing way—"back of an envelope" would be putting it politely.

Perhaps that would not matter so much were not this part of a pattern. Lord Butler restrained himself for many months before making his recent comments about the nature of this Government's approach to institutions of state. He argued, as an independent voice who was at the heart of Government, that this Government make decisions on the sofa. Very often, they do not act properly and sensibly by listening to people, finding out about the various views, and trying to use the institutions of Government better to serve the people, but by changing the institutions of Government ad hominem.

Let me give two examples that parallel what we are discussing. We have an Office of the Deputy Prime Minister, as we previously had the Department of the Environment, Transport and the Regions, that is based not on making Government more efficient or effective, but on providing what was thought to be a suitable job for the Deputy Prime Minister. His first Department did not provide him with a suitable job because he mucked it up considerably, so the Government created another Department based upon the same principle.

Perhaps I would not mind that happening on one occasion, but I was very upset when the Government decided to abolish what everybody had seen as the best and most powerful Environment Department of either party or of any European country. They took it away from planning and local government, where it had the power to act, and shoved it in with the Department for Environment, Food and Rural Affairs, as though the environment were something to do with rural development and woolly animals. It is not surprising that since then the environment has had no influence on any of the Government's decisions. When they introduced a planning Bill, the Minister responsible for the environment was never consulted.

Mr. Hogg: I suggest to my right hon. Friend that there is another ad hominem change in which we might both have an interest. Following the foot and mouth debacle, the Ministry of Agriculture, Fisheries and Food was destroyed and responsibility for agricultural matters was pushed right down the pecking order.

Mr. Gummer: My right hon. and learned Friend has been an Agriculture Minister. The Secretary of State who runs DEFRA has done a remarkably good job with the tools that she was given. The Department was created to give her a sufficiency of power to make up for the fact that she was going to be moved to make space for the Foreign Secretary. That was done over lunch—it was not back of an envelope, but back of a menu.

My point, Mr. Deputy Speaker—lest you should be hovering in your seat, about to suggest that I must concentrate on the Bill—is simply this: one does not arrive at good institutional solutions by making suitable packages for one's friends, but by doing the job properly and allowing the Government to function. That is why this issue is so serious. This Government are often characterised by saying the right thing and wanting to do the right thing, but very rarely achieving it. They are a Government of words, not action, and they have shown throughout that they cannot make the Government system work.

In saying that, I am citing the Prime Minister. After the first period of Labour Government, he admitted, "When we started we thought that when we said something, it would happen. Then we found that it didn't happen, so we would have to make it happen." Four years later, he still has not made it happen. The Government still do not deliver, even in areas where I support them. I support most of their aims on the environment, but I can no longer pretend that they have delivered any of them. Now, because the European Union has pointed out that we have not brought down our emissions as we promised, they are going to sue the EU to prevent it from capping those emissions.

In this case, the Government do not say, "There is a problem, we will prove that it is there and provide the institutional solution", but, "We don't really have a problem, there isn't really much to do, so we will make a fundamental change, but we can't prove to you that it will work in practice." The Minister did not explain how it would work. Indeed, he was at his weakest when he tried to argue that he could not do so because the other House had not made its decisions about whom it was going to call what to do which, and that there were problems about what would happen if the Prime Minister appointed as Lord Chancellor someone who did not sit in the House of Lords or, if he did appoint someone who sat in the House of Lords, whether he might chair its proceedings. As the Bill started in the House of Lords, it might have been helpful to have had answers to such questions.

We do not have those answers because the Minister started off on the wrong foot. The Bill did not come forth as the result of proper discussion and the serious involvement of all the appropriate parties, but because somebody wanted to shift people around on the board and make Cabinet changes without thinking about the results. The Minister may shake his head, but no one but he believes that we are here because of logical Government decision making. We are here because the Prime Minister made a mistake and had to cover it up by producing a Bill that would otherwise not have been introduced. I can imagine that, at some time, the

Government might have believed that the Bill was a convenient measure to introduce when they did not want to present anything too controversial with the public to make up for the Hunting Bill, but that is not the reason for our debating it now. We are debating it now because the Prime Minister shot from the hip and found that he had shot his fox.

Mr. Leslie: I would understand if the right hon. Gentleman disagreed with the proposals, but it does him no credit to belittle the logic and the rationale that I believe that I presented to justify a significant change in our constitution. Let us consider, for example, his point that the Lord Chancellor should be a lawyer or a peer. Does he claim that he is not sufficiently capable of undertaking that ministerial post and that he is somehow not qualified or capable of being appointed to it in future?

Mr. Gummer: It is not among my ambitions. However, if the Bill had been approached by trying to find a consensus for change rather than pre-empting it, it would have been more logical and not open to the specific worries that now beset the Under-Secretary. I do not believe that I belittled his arguments. He is here, although not a lawyer, as an advocate. We know why he is here—he has been presented with a Bill and he has to do the best he can with it. In general, with his normal charm, he has done a great deal of good, but he cannot get away from the problem.

The problem is that the Bill exists not because of a concerted and sensible approach to the constitution, but because the Prime Minister made a bodge-up. To try to overcome that, it was thought better to try to produce something that might at least stand up, by which time he was in no position to gain a commonality of view. A considered response is crucial on constitutional matters. It would not matter if we were discussing a less important subject, but it matters not to have got a considered consensual response on a question that lies at the heart of the relationship between the powers of Government, the House of Commons, the House of Lords and the judiciary.

Now that we are here we must ask for the third point that is necessary for good legislation. We should demand proper scrutiny. If the problem has not been properly adumbrated and the response is far from considered, the House should demand at least proper scrutiny. I should like the Under-Secretary to reflect on the way in which he answered some of the questions that were put to him. I believe that future generations will speak harshly of the way in which the current generation has damaged the nature of Parliament.

The guillotine, without debate, that is compulsory for every Bill is a fundamental constitutional outrage. It means that the Government not only control the agenda, but decide the length of time that they believe should be devoted to any aspect of a Bill. As we witnessed earlier, the Government also decide whether a matter should be debated on the Floor of the House or Upstairs. The Government, with a majority, do all those things irrespective of any longstanding convention of the House. We heard from the Speaker that there was no position from which to defend the rights of Back Benchers because the debate is subject to a vote and not to his prerogative.

Given that the Government have started on the wrong foot, have experienced some difficulty in proving the need for the changes and have had great difficulty in providing a considered response or a proper consensus, I would have thought that they would at least ensure that the whole Bill was debated on the Floor of the House, as constitutional Bills should be, and that enough time was provided for that. The deal should have been done by the Government and the Opposition, with the involvement of the Liberal Democrats in the discussion. The Liberal Democrats take a different view from mine, but I believe that we have let the nation down by not enabling the country to understand how we have limited our ability to deal with legislation.

There is more bad legislation than ever on the statute book because there is more undebated legislation on it. To make life more convenient for Members of Parliament, we have become more convenient for the Executive. To make our sittings times shorter and our hours more social, we have brought about a position whereby our constituents are faced with largely undigested Bills. Without the House of Lords, legislation would be impossible for the judiciary to interpret or tackle. I feel ashamed in my surgery when constituents approach me and say, "Mr. Gummer, how could anyone pass that clause?" I look the matter up and find that that clause has not been discussed. The compulsory timetable—the guillotine: that foreign invention that the Government have forced upon us—is intolerable.

Mr. Hogg: To reinforce those views, I invite my right hon. Friend to read the law report in *The Times* today on the case of Bradley. The court has been making similar points to his about the torrent of ill-considered and ill-drafted legislation.

Mr. Gummer: I am glad that that is the case. The fact that a court has made the point explains why the problem is at the heart of the Bill. The relationship between the law makers and the law interpreters is necessarily uneasy—there is bound to be tension; there always has been—but such tension can work creatively as long as both sides remember their purpose. Our purpose is to produce good law so that judges can make good judgments. We have allowed the Government to emasculate us.

I stress to my hon. Friend the Member for Huntingdon (Mr. Djanogly), who is on the Front Bench, that before he gets too enamoured of the wholly alien United States system, we have a parliamentary democracy and a key point in it is the ability of the legislature to keep the Executive under scrutiny and control. That means that the opposition—in the Government, of which there is a good deal, and outside the Government—must have the time to do that.

My worry about my party is that when we return to power we will say, "Well, they did it to us, so we won't give the powers back to the Opposition." I want to stress now that when we return to power, some of us will insist that our first action is to give back power to the people. That means that this House must have the opportunity

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to debate issues, such as the subject of our discussion, in the way in which we always did formerly, and thus produce legislation that is the envy of the world.

Sir Sydney Chapman (Chipping Barnet) (Con) *rose—*

Mr. Peter Pike (Burnley) (Lab): Will the right hon. Gentleman give way?

Mr. Gummer: I shall do so shortly, but first I give way to my hon. Friend the Member for Chipping Barnet (Sir Sydney Chapman).

Sir Sydney Chapman: I agree with my right hon. Friend's comments. Earlier, he mentioned the Planning and Compulsory Purchase Bill. He may be interested to know that of the 92 clauses in the first measure, only 26 were discussed in Committee. That resulted in the vast part of the Bill having to go to the other place to be considered, probably in a rather rushed manner, before the Government decided—uniquely, in my political career—to recommit a Bill to another Committee. That is the method of the madhouse in dealing with legislation.

Mr. Gummer: I know that my hon. Friend—

Mr. Deputy Speaker: Order. I say to the hon. Member for Chipping Barnet (Sir Sydney Chapman), the right hon. Member for Suffolk, Coastal (Mr. Gummer) and to the House as a whole that we are now straying somewhat from the Bill.

Mr. Gummer: I will not pursue my hon. Friend's point about the Planning and Compulsory Purchase Bill. He did, however, draw our attention to the crucial issue that, if we are to agree to the major constitutional changes in the Bill, we should have time to discuss them. I say to the Minister that it would help to regain a consensus on an issue that really matters if, even from his relatively junior position, he could convince the powers that be that showing courtesy to the House by giving us time to debate the whole lot on the Floor of the House would help considerably. It would also mean that many, like myself, who have doubts would find themselves much closer to where he wants us to be—even though I do not think that we should be discussing this because we have other things to do.

So, is there a real problem with the present system? No, that has not been shown. Has there been a considered response? Manifestly not. Will there be proper scrutiny? Not unless the Minister is able to convince the powers that be that there should be. Lastly, there should be an effective outcome. I do not know whether the Minister has looked at the notice outside the new Constitutional Affairs Department. It bears an interesting, if ungrammatical, slogan: "Justice, rights and democracy". There is no comma after "rights", so we must think of rights and democracy together. I am not quite sure why, but there we are.

The slogan was invented by the present Lord Chancellor; I found that out because I asked a lot of questions about it. The interesting thing about it also illustrates part of the problem with the Bill: it mentions rights but not duties or obligations. I wrote and asked representatives at the Department whether they could explain why, when we are to have a new Department, we are for the first time creating a society in which we talk about rights but not obligations. Some of us believe that no human being—no creative being—can have rights, but that we can only have obligations. Our rights are found in the obligations of other people and institutions towards ourselves.

The problem with Tom Paine was that he was wrong. He did not understand the nature of obligation. The great advantage of emphasising duties and obligations is that we remove the selfishness that comes with people who say, "I've got my rights!" If we all thought a bit more about our obligations, perhaps we would understand that a society run on that basis would be much more likely to be one in which the rule of law would be the representation of our duties, and that the more fortunate we are, the greater those duties and obligations become. To set up a Department that refuses to include in its slogan the word "obligations" or "duties" is to set up a Department that starts by being fundamentally flawed.

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): I hesitate to intervene, but I remember answering an earlier question on this matter from the right hon. Gentleman. We cannot have justice or democracy without responsibility. That is the thing that connects citizen to citizen; we cannot have democracy or justice without it, and he knows that.

Mr. Gummer: Then why does the Minister refuse to put it in his Department's slogan? This country is filled with people, both rich and poor, who believe that they have rights but not responsibilities. The only way to change the nature of our society is to make all of us insistent about obligations, starting with our own—with mine and the Minister's—and moving on to everyone else's. This is at the heart of the Minister's missed opportunity. I gave him the opportunity to change this. I asked him a question and waited for his response. It would not have cost much, when we are spending £30 million, to replace the word "rights" with "obligations" in the little slogan outside his new smart offices.

That brings me back to my final point. The effective outcome will have to be paid for. I began by suggesting that it had not been established that there was a real problem. Indeed, the Minister waxed so lyrical about the excellence of the system, the honesty of the judges, the independence of Lord Chancellors and the reticence with which the Law Lords behaved during debates in which they might have an interest, that he was unable to argue much of a case for the need for the Bill. He was therefore even less able to argue the case for the cost involved.

I know many people who would say that if we have £30 million, we should spend it on giving people more access to justice. There are people who cannot get their case heard because of the slashing attack on legal aid over which this Government have presided. It now takes people longer to get into the courts, and it is more expensive for them when they get there. This

Government have achieved that. That £30 million could be very much better spent. I do not know whether the Minister is married—

Mr. Leslie: Nearly.

Mr. Gummer: Then this is an ideal opportunity for someone who has been married for 27 years to give the hon. Gentleman a small piece of advice. When one's wife asks, "Can we afford to do this?", the one argument that one can never put forward is, "Yes, but only if we don't do that." That cannot be part of the argument. The argument is always about doing both. That is a necessary part of life. The trouble with Parliament is that we are acting like that. The hon. Member for Somerton and Frome (Mr. Heath) got up and said that we had to have the best legal system in the world and that if it cost a certain amount of money, that would be the amount we would have to spend. The Liberals are well known for doing this, as they have no hope of coming to power. However, if we spend it on that, I am afraid that we cannot spend it on anything else.

We have created a Bill whose justification has not been made out. It is not a considered response to a proper discussion. It will not be given proper scrutiny, and it will use resources that would be better used elsewhere. I am sorry that it has been brought before us and I wish that we were spending this time dealing with the issues that really matter, such as climate change or the way in which people who were already very poor have become poorer under this Government. The Government are not prepared to discuss those issues. Perhaps we could even have a debate about the Iraq war—an unnecessary and unacceptable war that we should have debated properly. We spent seven hours discussing it, yet we spent 200 hours on the Hunting Bill. This Government have no priorities and, above all, they do not know how to do things. They should not institutionalise the means of achievement, and that is why the Bill should be opposed.

7.18 pm

Vera Baird (Redcar) (Lab): It is a pleasure, as ever, to follow the right hon. Member for Suffolk, Coastal (Mr. Gummer), although I am baffled by a number of the things that he said. I am left almost speechless by his comments about this Government putting people into poverty, when in fact we have rescued more than 1 million children from the poverty in which they were left by his Government, and by his complaint about cuts in legal aid, when we are spending more on it than ever before and are distributing it better.

I should like to get to the point of this debate—something that the right hon. Gentleman did not do to a great extent—and say that this is an excellent Bill. Its main provisions will bring about a long-overdue modernisation of our constitution and start the process of making the courts and the legal system citizen-centred public services, which, to be consistent with a thoroughgoing democracy, is what they should be.

I applaud the Bill's long-overdue commitment to the rule of law and judicial independence, and I congratulate the Government on introducing it.

I strongly support the substantial change to the office of Lord Chancellor. In particular, he will no longer sit as a judge, he will not act as a Speaker of the House of Lords and he will no longer carry personal responsibility for the appointment of members of the judiciary and Queen's counsel. One could say that the main need for the Lord Chancellor to offer a separate personal guarantee of independence of the judiciary has been much reduced. I will not repeat the two quotes that I have already given from the Lord Chief Justice, whose negotiating skills with the Bill must be applauded, but he said that the Bill offers a better guarantee of judicial independence. I agree with him. However, there continues to be a requirement that the Lord Chancellor should—indeed, must—defend judicial independence and ensure that the judiciary has the resources to exercise its function and in government to represent the public interest in the administration of justice. That clearly requires the Lord Chancellor to be a senior Minister, but it certainly does not require either of the two restrictions that have been put on it in the Bill: notably that the Lord Chancellor must come from the Lords and that he must be a lawyer—not a bit of it. A Minister in the Lords is no more and no less secure in a ministerial post than a Minister in the Commons. He is no better and no worse equipped to take a strong stance in Cabinet than a Minister in the Commons.

I take the point made by the Constitutional Affairs Committee that if someone at the end of his career is Lord Chancellor, as in the past—not least because he sat as a judge in the House of Lords, and such seniority is usually accompanied by maturity of years—he will not have a future to be interrupted if he defends the rule of law against his patron's displeasure. Another argument, of course, is that being Lord Chancellor in this place would be the pinnacle of anyone's achievements, but if he disagreed with his patron he could easily have that career ended, in suddenly imposed obscurity, instead of staying in that high-status, top-performing, challenging role. There is still a great deal of pressure, and while Ministers are appointed as they are there is no structural answer. There is only the integrity of the appointee and his or her strength of character. Those characteristics are to be found in this House every bit as much as in the other House.

No one who takes on the role now can be under any illusion: there will be a statutory duty on them to guarantee the independence of the judiciary and the rule of law. They will be called to account for their conduct of that duty and they will be called to account for any dereliction of it as severely in this House as they would be in the other place. This House is as quick as the other place to see any such dereliction. There is no justification for requiring the Lord Chancellor to be a Member of the House of Lords and there is an overwhelming argument the other way. He must be accountable for his departmental budget, which is more than £3 billion and approaching £4 billion now. He must be accountable to the electorate through this House as every other Minister is. I want to be able to hold the Lord Chancellor to account when a constituent is kept waiting in the courts because a rape case has inconsiderately been listed as a floater. I want to be able to call the Lord Chancellor to account when my local magistrates court is under threat of closure or to raise the thorny issue of anonymity in family court proceedings when legal aid is not available. I cannot do that if he is in the Lords: I should be able to do so. I have

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great respect for my hon. Friend the Minister, but the proper situation is that the Minister in charge should be in this House and a more junior Minister in the Lords.

Mr. Beith: May I suggest that the hon. Lady seek membership of the Constitutional Affairs Committee, which is currently discussing several of the issues she raises? She would then have the opportunity to question the Lord Chancellor on them.

Vera Baird: Sometimes life is simply full of exciting invitations and I shall put that one next to the others. I am grateful for that kind offer.

My last argument is surely the unanswerable reason why the Lord Chancellor should be a Member in this House. The Tory proposal, as well as being impossible, is crazy. It is crazy to suggest that we should legislate to ensure that a Minister cannot be a Member of the House of Commons. It defies all sense. I might add that the Judges Council sees no reason why the Lord Chancellor should be a Member in the Lords rather than in this place. The judges are the very people who might feel undermined if it were necessary to have a Lord Chancellor in the Lords as a guarantee of their independence, so no one else has a leg to stand on in making that argument.

It is not necessary to provide that the Lord Chancellor should be a lawyer. One guesses that the next few post holders are likely to be so: it is a huge step to take. However, the composition of the job will change hugely. The equivalent of the Lord Chancellor in the Scottish Executive is not a lawyer, but she is doing the job very well. Of course, it is important to have close relationships between the Lord Chancellor and the senior judiciary, so that the Secretary of State can be well informed by them, but with that help he or she would assimilate the job in the same way—the example has already been used by my hon. Friend the Minister—as the right hon. Member for Haltemprice and Howden (David Davis) has assimilated all the intricacies of the Serious Organised Crime and Police Bill. He is not a lawyer, but he has managed that. My hon. Friend the Minister frequently shows his sophisticated grasp of complicated legal issues, but he is not a lawyer. One has to work hard, but it can be done. I do not buy the notion that the law is so arcane that no one but a lawyer can ever understand the Department, let alone be able to defend it in Cabinet.

The Law Society has said, and I agree, that requiring that the post holder should be a lawyer could create the perception that the Secretary of State's primary purpose was to protect lawyers, judges and legal interests, rather than the public interest. Lawyers are rarely seen as the voice of the people.

The Tories would require that the post holder should be a lawyer, and a particular kind of lawyer. He should have held high judicial office for two years, which I think means he should have been a High Court judge or more, or should have had at least 12 years' experience under section 91 of the Court and Legal Services Act 1990, which I think means he has to be a High Court advocate. That would restrict the pool of candidates for Lord Chancellor considerably. In any case, that pool is occupied by those chosen from the uniform elite whom we hope will be widened by the advent of the judicial appointments commission. To suggest that even as we try to open up the pool to academics, solicitors and the lower judiciary, we should preserve the top man's job for that little phalanx of people who already have higher court advocacy certificates is breathtakingly to miss the point. It simply does not take on board the urgent need for modernisation. I oppose totally both of those proposals and hope that the Government will see them off straight away.

I am pleased that most people now welcome the changes to the judicial appointment process. Such measures are not new. In 1972, a justice committee recommended changes. In 1992, I was privileged to serve on another justice committee, chaired by the eminent Professor Robert Stevens, which recommended change. It is 14 years since Lord Rawlinson proposed in the Courts and Legal Services Act 1990 that there should be change, so the idea is not at all new.

It is wholly inappropriate for a member of the Executive to continue to be responsible for selecting members of the judiciary. That is the real threat to judicial independence. Yes, people have behaved well, but shot through debates on the subject, both here and in the other place, have been comments that individual Lord Chancellors made characteristic appointments. Lord Mackay, it is frequently said, showed his independence of judgment by appointing Stephen Sedley to the High Court bench—a significant left-wing figure. Lord Elwyn-Jones appointed Sir Morris Finer to the High Court bench but did not appoint Lord Donaldson to be Master of the Rolls because in the 1970s national industrial relations court he fell foul of the then Labour Government.

The appointments are made by a party politician, whether he is in the Commons or the Lords, and some of them are good. The independence shown by some of our Lord Chancellors has been good but some of them are bad, and the basis of making those appointments will not do. An individual can make a good or a bad appointment and it is individual instinct to try to be fair or to stick resolutely to political patronage, but the way in which it is being done is unacceptable. Judicial appointments at all levels must be made on merit, on a transparent, fair, efficient and independent recruitment process that draws appointees on merit from the broadest possible field of candidates.

Modern recruitment procedures must be at the forefront, as must be modern recruiters. Of course, the judiciary must be heavily involved, but only within the modern framework of objectivity and neutrality. The judiciary must not dominate the process because it is the homogenous elite that has run the system for so long. It is no joke to say that there has been positive discrimination in favour of public schoolboys and Oxford graduates since appointments began.

I cringe and worry when people talk about the dangers of positive discrimination, as though we had started from some perfect position where people are selected only on merit. The opposite is true. I am not saying that appointments have been universally bad—not a bit of it. Most of them have been very good, but they have been confined to one class, which has repeated

and repeated and repeated itself by selecting those who resemble it. That is not good enough for a modern and diverse state.

There have not been many serious mistakes. The calibre of the judiciary is generally extremely high—at least in the High Court. There have been mistakes; there have been people who were not up to the job intellectually. There have been people, too, who have no respect for the public who come before them, who think that it is their prerogative to sit in court and demonstrate how clever they are. They do not understand hardship because of their privileged background and demonstrate their cleverness by speaking in an arcane way, to the dismay and misery of people whose future depends on their decisions. Those are bad appointments not because those people are necessarily poor intellectually, but because of those characteristics. Some of those bad appointments would not have slipped through in a proper rigorous procedure.

Mr. Grieve: As I have said on previous occasions, I worry far more about the quality of appointments to the Crown court bench than to the High Court and above. The irony is that at present those appointments have, on the face of it, little or no political input and are likely to have little political input, because they are carried out within the Department. Certainly if the situation is improved by a judicial appointments commission, I shall be delighted. There may be more criticism of those appointments than higher up the hierarchy.

Vera Baird: There is certainly a qualitative difference between some of the people appointed to the Crown court bench and the usually very good people who are appointed to the High Court. None the less, when we talk about the calibre of appointees, we tend to mean intellectual capacity. Of course that is hugely important, but so, too, is being considerate to the public and having the understanding necessary to explain at the highest levels of our court system in plain English what one is discussing and, when addressing someone's counsel, trying to speak not in code, legalese or Latin, but in a way that the people who are paying for it and are entitled to it can understand. Having an understanding of that aspect of the judiciary job is not as universally available as good intellectual calibre, yet it is certainly a key skill. There have been some notable failures of that kind, while some potentially good appointments have stalled through the prejudice implicit in the current appointments system.

The right hon. Member for Suffolk, Coastal says that nothing in the Bill is urgent. I ask him to reconsider. Senior appointments—High Court and above—tend to come from QCs. I want to tell the right hon. Gentleman some of the things that Sir Colin Campbell and his commissioners unearthed in the process for appointing QCs. There are what we call secret soundings that are now not so secret; Sir Colin Campbell can get hold of them. Indeed, people who have been refused appointment to silk—a necessary gateway to achieving higher judicial appointment—can ask for feedback on what has been said about them.

What about the woman who found that a factor sufficient to merit inclusion in the feedback she was given was that one of the higher judiciary had referred to her having poor dress sense? Is that a qualification for becoming a QC? Another woman was told that she had done something lamentable in court. In the feedback interview, she said that she had not done it and that the claim was not true. The response was, "Well, gossip creeps in sometimes." That is not very satisfactory.

A woman was told that an affair that she had had 10 years before was still talked about by the judiciary and that she would not be welcome. They should not have been talking about the affair in the first place, but to talk about it 10 years later and to hold it against her as a reason for not appointing her was utterly absurd. Indeed, it is invidious. In the secret soundings, someone's marital status was said to be a problem—Sir Colin Campbell is discreet about exactly what that was. Someone else was described by a judge as not a leader of the profession, so they should not be appointed. What on earth does that mean? What we think of as a leader may not be what someone else thinks. If one does not obtain silk, one cannot get on to the High Court bench. Even if one manages to get through the gateway of discrimination once, one has to face it again from the same people next time around.

Mr. Garnier: I am sure that those examples are interesting. Such cases are bad and ought not to have happened. We can all agree about that, but clearly such cases are not in the majority, bad as they are individually. I am concerned about the future. By and large, we agree that the judicial appointments commission is a good thing, although we need to worry about the detail. Can the hon. and learned Lady move away from the points that she was making about previous mistakes or bad policies and urge us to support the Bill in relation to the question of the Lord Chancellor or the supreme court? I fully sympathise with her concerns, but they will not help us to be persuaded about the overall merits of the Bill.

Vera Baird: I shudder at the utter complacency of that intervention, which suggests that those atrocities of injustice do not merit being dwelt on and that one should hurry up and get on with something else. I know that the hon. and learned Gentleman comes from a party that does not welcome women to its higher roles, but it is really time that the Conservatives appreciated the need to come into the modern era and to understand that if they—like this system—sanction discrimination against women, not many women will vote for them.

When such things are known about how the process works, it is not surprising that many people hide their merits under a bushel. It is pretty well known that it is much harder for women, and certainly much harder for people from ethnic minorities, to get into the judiciary. Surely, it is obvious that the wider the pool of qualified people, the better is the calibre of the appointees.

I have heard it argued, too—in fact, I am vaguely surprised that the hon. and learned Member for Harborough (Mr. Garnier) has not said it—that women have only fairly recently come to the Bar, so we cannot expect many of them to have filtered through to the top. That is certainly the Tory argument in the Lords to try to justify what occurs because of the discrimination to which I have referred. Women have been allowed at the Bar since 1922, so someone with 70 years' call could be present at the Bar at the moment.

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In 1992, when I was on the committee for justice, there were disproportionately too few women in high office for the number of women who had 15 to 20 years' call at the Bar then, and we are now 12 years on. So that is not an argument either—sheer discrimination is the argument, and I make no bones about saying that. I know senior people at the Bar who are black, who are female and who are gay who are better in many ways than some of the people who are currently on the bench, but they have not been put on to the bench. That is bound to be so, as long as there is discrimination.

I applaud the introduction of a system that has every hope of finding the means of fairer selection, to draw from the array of diverse talent that is available and increase the calibre of our already respected judiciary. That is the last point that I want to make about the urgency of the judicial appointments commission, given what has been said by the Opposition. Our judiciary is very good, but we must make it better and this is how we can do so. At last, we might start to have selection for the judiciary on merit.

I strongly support the Government's decision to establish a supreme court separate from the legislature and in place of the Appellate Committee of the House of Lords. It is undesirable for members of the highest court in the land to serve as members of the legislature. The Joint Committee on Human Rights said that the creation of the new supreme court and the disqualification of judges from sitting in Parliament makes it less likely that violations of the European convention will occur in practice. The hon. Member for Beaconsfield (Mr. Grieve) is right to say that there is controversy in legal circles about whether there is any problem under the convention, but surely the Committee is right to suggest that such violations would be less likely.

Professor Jeffrey Jowell has said that the EU would not now accept for admission a nation that had its senior judges in its legislature. It is a marker of how far out of step we are with international thinking that we have allowed that obvious anomaly to linger so long. No Commonwealth country has adopted that curious structure, although many base their legal systems on ours. Canada, Australia, New Zealand and South Africa do not have working judges in their legislatures. The hon. and learned Member for Harborough referred to that aspect of the Bill as intellectual guff, suggesting that we should stand our individualistic ground and not be pulled into some sort of cheap version of a constitution by trying to resemble other people.

Mr. Garnier *rose—*

Vera Baird: Of course I will give the hon. and learned Gentleman a chance.

Mr. Garnier: I thank the hon. and learned Lady for politely giving way. I am prepared to withstand her insults; I am prepared to withstand her arguments; but I am not prepared to accept her utter failure to understand that what I was talking about in relation to intellectual guff were the arguments proposed by the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley), who is no longer here. The hon. and learned Lady may make her arguments if she wishes, but will she please base them on what I said, not on what she thinks I said or on what she likes to assume all Tories, Conservatives or men say. It would have made for a better argument if she had listened to what I said, rather to what she thinks I said.

Vera Baird: The hon. and learned Gentleman must grow up or get out of the kitchen. He said that moving towards other constitutions by removing the judiciary from the legislature, as proposed by my hon. Friend the Member for Ealing, Acton and Shepherd's Bush (Mr. Soley), was intellectual guff. I do not mind learning from Canada, Australia, South Africa or any other Commonwealth jurisdiction. The hon. and learned Gentleman really must learn to control his words.

The supreme court is a very good and important development. The ending of the system whereby members of the senior judiciary have seats in the Lords requires the establishment of an effective channel of communication between the judiciary and the legislature. There may well be times when the legislature wants directly to benefit from the experience and expertise of the judiciary.

I support clause 6, which will enable the chief justice or his equivalent in Scotland and Northern Ireland to lay written representations before Parliament, and a parliamentary Committee through which the judiciary can maintain a dialogue with Parliament might also be appropriate. The Constitutional Affairs Committee has furthered such relationships. Its Chairman, the right hon. Member for Berwick-upon-Tweed (Mr. Beith), enjoys good relationships with members of the judiciary, who feel free to give evidence and make their views felt. I do not regard that as a problem, but it necessary to ensure that those channels exist now that the Law Lords will disappear. That change is good constitutionally, and good, rational channels of communication can be set up.

There are also practical reasons for such a change. First, as the senior Law Lord has said, it makes the position much clearer, particularly for the public who find it difficult to understand and can muddle the role of the House of Lords as part of the legislature and as a court. Let us consider the Hunting Act 2004 for a moment. Deciding whether the Parliament Act 1949, by which the Act was passed, is lawful will ultimately be decided by the House of Lords. Do people understand that that judgment will be made by people who could have voted against the Hunting Bill in the first place because they technically remain members of the House of Lords? Let us consider how undesirable and confused that position is.

Let me give two practical bits of evidence to show why the change is important. All the lawyers present and many others will know about the doctrine in Pepper *v.* Hart, which allows the courts to look at *Hansard* to understand the purpose of any legislation if it is ambiguous. I was involved in a House of Lords case in which a colleague and I were trying to persuade the House of Lords to consider Pepper *v.* Hart, but after suitable argument the House of Lords declined to do so. Those involved did not want to be influenced in their interpretation by what appeared in *Hansard*, but three of them were there when it was said, taking on the role

of helping to sculpt the legislation, so presumably they were taking it seriously. Does that not make a pretty powerful point?

In a further House of Lords case in which I was involved the then senior Law Lord came in after the luncheon adjournment and said that he had to make it clear that he had been lobbied on how he should vote on a part of a certain Bill. Just before lunch, I was taking their lordships through that Bill to try to make a point that the legislative thinking in the Act in force must have been A because the new Bill was carrying on that line. He was considering a Bill as a guide to interpreting another Act, while being lobbied politically to vote against it. That is an extraordinarily complicated and tortuous position for anyone to be in. Of course, the Law Lords can set aside what they hear in one role and compartmentalise their thinking—frankly, there are such good people in the House of Lords—but there is a danger that they can over-compensate for having heard what they feel they should not have heard.

It is an extraordinarily unhappy situation in a whole variety of ways. I agree thoroughly with the senior Law Lord, Lord Bingham, that a modern, clear and quite separate supreme court is very important. About half the Law Lords feel unhappy to be in the Lords now. They think that it is an inappropriate location and they will not speak at all in debates. They therefore play no useful role.

The House of Lords is an excellent judicial tribunal. It shows every sign of wanting to get to the right result. It does not, as many other courts do, merely play and argue with counsel; it argues among itself and is truly intellectually stimulated by an argument. This court can play a great role in our democracy whether it agrees with the Government or, as it has done recently, disagrees with them. It should be freed and clearly seen to be having that role, with due standing, its own building and due respect for its calibre being judged on the merits.

I support Lord Bingham, Dame Brenda Hale and Lord Steyn who are in favour of the supreme court. I support Lord Woolf, who in evidence to the Select Committee about the Lord Chancellor as now configured, said:

> "I see no difficulty with a Government Minister exercising any of the functions assigned to the Secretary of State for Constitutional Affairs by the concordat. I do not consider that such a Minister requires any enhanced status or any particular title to enable him to exercise these functions."

I agree with most of the people who have expressed support for the judicial appointments commission. This Bill was rightly described by the Lord Chief Justice in the other place as a

> "piece of great reforming legislation",

I agree with him that

> "it will rank in importance with the great constitutional instruments of the past".—[*Official Report, House of Lords*, 7 December 2004; Vol. 667, c. 759.]

7.51 pm

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): I sympathise with the hon. and learned Member for Redcar (Vera Baird). Her voice is clearly failing her, and I sympathise, not least because I am in a similar position. I am rather glad that this is not one of those occasions—at least, I fancy not—when I shall have to shout down hon. Members, on either side of the House.

There are clearly aspects of the Bill that can properly be supported. It would be rather surprising if that were not the case. It is not, in fact, the Bill that the Government first introduced in the other place. Indeed, I think that some 400 amendments were made there. I can therefore say that within this Bill, there are substantial aspects with which we can associate ourselves.

The reasoned amendment moved by my hon. Friend the Member for Beaconsfield (Mr. Grieve) seems to encapsulate the criticism of the Bill remarkably well. It was echoed by my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer). I happen to think that the Bill is largely unnecessary; it is most certainly bureaucratic and expensive.

I want to say something about the Lord Chancellor, something about the supreme court, something about the establishment of the judicial appointments commission and, briefly—Mr. Speaker made it plain that we could do this—something about the timetable motion.

I do not know whether I have to declare an interest in that both my father and grandfather were Lord Chancellors. I certainly accept that the role of the Lord Chancellor has changed and is bound to change to take account of the change in circumstances. The role and office cannot be frozen in aspic. There have, in fact, been huge changes since my grandfather first came to this House in the 1920s and shortly afterwards went to the Lords as Lord Chancellor. I suppose that the most important change has been the desire for much greater openness than was then the case. Moreover—I think that this was important for the role of the Lord Chancellor in connection with appointments—there were far fewer judicial appointments in those days. I think that in my grandfather's day the King's bench division had 12 members; it has nearer 100 now. It is also true that in those days, the Lord Chancellor knew, or had access to those who knew, most of the people who were likely to be applicants for judicial office.

The legal profession is now not very well represented in this place or in the other place. There are not many practising barristers in the House, and most of those who practise—I am one such—practise largely at the criminal Bar. It is therefore increasingly difficult for Governments to find either Attorneys-General or Lord Chancellors who can be appointed from Members who have served in this place. However, I happen to think that there are substantial advantages in having as one's Lord Chancellor or Attorney-General someone who has served in this place.

I certainly accept that a number of the roles of the Lord Chancellor must change. I shall come to the judicial appointments commission, but I do not think that the Lord Chancellor should be responsible for appointments to judicial office. It would be a serious mistake, as a general proposition, for Lord Chancellors to sit judicially, although it is true that my father sat judicially on a number of occasions, and attached a very high importance to that role. He was probably wrong, but his judgments were, on the whole, rather good ones.

That point does not address the role of the Lord Chancellor. That role is extremely important because over 10 years—in fact, more than that—there has been a whole flood of Home Office-driven legislation that has

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had a great impact on the rights and liberties of the citizen. I do not want to go over disputed ground about the previous Home Secretary. I regarded him, and I said so many times in this place, as a deeply illiberal Home Secretary. Much of the Home Office legislation that we are currently contemplating, and that we have contemplated in the lifetime of this Parliament, has been deeply illiberal and deeply authoritarian. I have opposed it and I deplore it—including, incidentally, the Identity Cards Bill, on which I had the misfortune to disagree with my own party's line.

It is of critical importance that within the Government, there should be another source of influence and authority to set against the policies of the Home Office. If I ask myself where that person can be found, the answer is that he or she has to be found within the office of the Lord Chancellor. I cannot easily identify any other source of comparable influence and power. It is important therefore that the person who carries out the functions of the Lord Chancellor should have as much status as we can give him or her, and as much independence as well.

I understand the argument of the hon. and learned Member for Redcar and of the hon. Lady for Stafford.

Mr. Kidney: Hon. Gentleman.

Mr. Hogg: I am sorry—the hon. Gentleman.

I understand the argument to the effect that it is a good thing for senior Secretaries of State to be in this place. In principle, I agree with that. However, I ask myself a different question: what is the likely relationship between the Secretary of State for Constitutional Affairs sitting in this House and the Home Secretary? The truth is that the Home Secretary will always prevail.

When I look back, however, on the Lord Chancellors whom I have known or have been faintly acquainted with during my political life, who sat in another place, that has not been the case. On the Labour side, there were Lord Gardiner, Lord Elwyn-Jones and, of course, the previous occupant, Lord Irvine of Lairg. On the Conservative side—just to cite a few—there were Lord Kilmuir, Lord Dilhorne, Lord Mackay and, of course, my father. All these were people of a very considerable authority, which they could set against the power of the Home Secretary. Most of the debates—this goes to the question of accountability—occur within the Government, not on the Floor of either Chamber.

My worry is that if we insist on the purist doctrine that Secretaries of State should sit in this House, we could be dealing with a Minister on the make—to adopt the phrase used by my hon. Friend the Member for Beaconsfield. There are huge advantages to there being a requirement for the Lord Chancellor to be a lawyer and a Member of the other place who is at the end of his or her political or judicial life, because he or she will thus have nothing to gain and nothing to fear.

Sir Patrick Cormack: Is there not rather more to this than my right hon. and learned Friend suggests? There is not only the question of duelling with the Home Secretary when necessary; the Lord Chancellor is someone who can stand up to the Prime Minister, which is the most important thing of all.

Mr. Hogg: My hon. Friend is absolutely right. Not one of the Lord Chancellors whom I cited would have been described as a cheerful chappie. We do not want Lord Chancellors who are cheerful chappies, but people who bring real authority, pre-eminence and distinction to the role, because only in that way can an overbearing Home Secretary be faced down.

I hope that the House, in its Committee form, will insist that the Lord Chancellor be a lawyer, that the role of the Secretary of State for Constitutional Affairs should always be designated as one that the Lord Chancellor should perform, and that the Lord Chancellor should be a Member of the other place, so that he or she will by then be beyond fear or favour. We need to make every attempt to reinforce the status of the Lord Chancellor.

Like so much done by the Government, the words "supreme court" mislead. The title suggests a genuine separation of powers, and in particular, although this is not stated, the power to strike down primary legislation. As a general proposition—we will see what happens during the challenge to the Hunting Act 2004—the supreme court will not have the power to strike down primary legislation. In truth, the supreme court as described in the Bill will largely be the Judicial Committee as it now sits, but sitting in a different, more expensive place and underpinned by an extremely expensive infrastructure. As my right hon. Friend the Member for Suffolk, Coastal implied, if it is not broke, why seek to mend it? There is no overwhelming requirement for change, so I would not change the structure.

I regret the prohibition on members of the supreme court from speaking in the other place, although I am assuming that we will not have a wholly reformed other place. I hesitate to say this in the presence of my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack), but I am in favour of a wholly or largely elected second chamber.

Sir Patrick Cormack: Very unsound.

Mr. Hogg: My hon. Friend thinks that my point is unsound, but he and I have always disagreed about that.

Within the parameters of the other place as it now is, I want members of the supreme court to be able to speak. I appreciate that Lord Bingham has constrained the circumstances in which such people should speak, and that there is a division of opinion about that. It is certainly the case that the Law Lords should be careful not to express themselves in a partisan manner. They must always express themselves temperately and bear in mind the fact that they might have to adjudicate on matters that are discussed in the other place.

Of all those in this House or in the other place with judicial experience, the Law Lords have the most current expertise across the broad spectrum of legal issues that Parliament must discuss, ranging from the complex commercial questions to more humdrum issues of family or criminal law. They have knowledge of great constitutional issues, such as the impact of the European

convention on human rights on the way in which the courts operate. The truth is that the Law Lords have greater current expertise than anyone else, because as I have already said, most hon. Members who are practising barristers or solicitors practise at the criminal Bar. Although there are competent barristers in the other place, they tend to have rather specialised practices. For example, Lord Grabiner, for whom I have high regard, has a specialised commercial practice. Of course if we rely on ex-Law Lords, we are dealing with individuals with experience that is not quite as current as one might wish. I greatly regret the prohibition on justices of the supreme court from speaking in the other place, and I hope that the House, in its Committee form, will reconsider that.

I turn to the judicial appointments commission. The role of appointment should not be performed by the Lord Chancellor or his officials, although I accept that there was a jolly good case for that in the days when the Lord Chancellor knew most of the applicants, or could at least have a private word with the heads of division who did. However, those days have gone and one cannot hark back to them. I agree with the principle of the judicial appointments commission. It is undesirable for the Lord Chancellor's officials to perform the functions that were historically performed by the Lord Chancellor, because they are not well placed to determine the merits of a, b or c. However, we have chosen one of the most remarkably bureaucratic and complicated ways of making appointments that I have ever read. There is a powerful case for depriving the Minister—or Lord Chancellor—of any residual power and giving the power exclusively to the commission, but that is a matter for debate.

I have two real worries about the role of the ombudsman. I doubt whether people who are dissatisfied with the decisions of the judicial appointments commission should have the right to apply to an ombudsman for remedy. I remark in passing that Back Benchers with desires that remain unfulfilled, or Ministers who are disgruntled because they have been passed over or sacked—I am casting no personal aspersions about any hon. Member in the Chamber—do not have the right to appeal to an ombudsman.

Let us consider what is being suggested. If people were to make a complaint about process, I wonder whether the cost and inconvenience of the ombudsman would be proportionate. Indeed, the matter could probably be raised with the parliamentary ombudsman as is. Is it suggested that the ombudsman should be able to express a view on the merits of an appointment? At that point one enters a difficult area, because when one makes appointments of any kind, one's judgment is often subjective. One might have real doubts about a person's integrity, competence, good manners or judicial temperament. It might be difficult to make such subjective judgments stand up evidentially, but they may none the less be real and well founded. I fear that if we set up a process that allows people to challenge the merits of judicial appointment, we will find ourselves landed with many appointees who should not be appointed, because the commission will play for safety and rely only on reasons that can be evidenced.

The question of merit and diversity is related to that matter, and although it is a small point, it causes me considerable concern. I entirely endorse a point made by my hon. Friend the Member for Beaconsfield: merit should be the only criterion for appointments. By all means let us enlarge the pool as much as possible. I agree that it has been artificially constrained for many years. We should have a wide pool, but by goodness, let us stick to the criterion of merit and no other. The power that the Bill gives the Minister, or Lord Chancellor, to give guidance—for example as to diversity—could be misused.

As to disciplinary functions, this is an enabling Bill. It enables the Minister, or Lord Chancellor, to set out processes for disciplining members of the judiciary. Again I preach caution; we need to look at this more closely in Committee. It is perfectly true—the hon. and learned Member for Redcar knows this as well as I do—that historically there have been some pretty eccentric folk on the bench. In my professional lifetime I have known some, and even since I went back to the Bar in 1997 I have come across one or two very odd figures who probably should not be there. I hope that the judicial appointments commission will prevent that from happening. In any event, peer pressure and the word from the senior judiciary can be brought to bear.

I would, however, be very sorry if a disciplinary process curbed the independence of the judiciary. The hon. and learned Lady adduced from one Minister—I forget which one—the fact that each year there are between 1,000 and 1,200 complaints about the judiciary. We all know from our constituency experience that litigants, whether male or female, are frequently dissatisfied by the result. Very often they express their dissatisfaction by saying, "It was unfair," or, "He"—or she—"behaved badly. It was judicial misconduct." I do not want to see the judiciary cowed in any way. We look to it, in part at least, to defend the citizen against the over-mighty Government. Let us then be cautious about the disciplinary process.

I turn briefly to the timetable. Mr. Speaker was good enough to say that we could speak about it, provided that we did not go on too long—and my hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd) and my right hon. Friend the Member for Suffolk, Coastal have made the points that I would have made. This is a very important Bill. On the Floor of the House, where these things are traditionally discussed, we will be able to discuss only fragments of the Bill, and those fragments have been selected for us not by discussion between Front-Bench Members, but by the proposal of Ministers.

I acquit the Under-Secretary of State of responsibility. I suppose that he did not know; it was not his decision. *[Interruption.]* No, I see, it was not his decision. I do not blame him; he is only an Under-Secretary. However, it is not right. If the proceedings were to be timetabled, there ought to have been discussion between Front-Bench Members of all the major parties and the minority parties. The House is being impoverished by the process. Not only that, but democracy itself is being impoverished. I hope that the House will rally, and vote, against the timetable motion.

8.13 pm

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): I am not sure that today's debate is a very good example of the stewardship of time. I like to think that we could

[Mr. A. J. Beith]

have more time for these proceedings on the Floor of the House, but with discipline in how efficiently we used it to ensure that a number of important detailed points are considered.

I want mainly to refer to what the Constitutional Affairs Committee has said and done on the matter, and the extent to which our concerns have so far been met. As several hon. Members have said, the problems go back to the way that the matter was introduced, as a back-of-the-envelope decision in a reshuffle. When one is reshuffling one's Ministers, one does not call them in a fortnight before and say, "I'm planning to do this. What do you think? Will you get your officials to do me a paper about it?" The previous Lord Chancellor was no doubt told at 3 o'clock in the afternoon that his services were no longer required and that his advice on the proposals or that of his officials was not needed.

That is a hopeless way to embark on constitutional reform and it was particularly galling for those of us who broadly support the measures that the Government want to take. They managed to convey the impression that the proposals were designed to weaken and politicise the judiciary, which is precisely the reverse of the intention and, I hope, of the effect. The way that the matter was introduced made it much more difficult to argue for the reforms in principle and then get the detail right.

The problems that the Bill is designed to solve are primarily ones of principle and perception, not of practice, except in judicial appointments, to which several references have been made. I welcome the agreement that has now emerged on the necessity for a form of judicial appointments commission. Even in that case, no one is arguing that the most senior judicial appointments in recent years have been other than very good, or that the quality of our judiciary is not envied around the world, but we can still make improvements and there are certainly people who are excluded from the judiciary.

That was the main motivation for changing the system in Scotland, which took on a judicial appointments committee under the guidance of my friend and former parliamentary colleague, the Deputy First Minister, then the Justice Minister, Jim Wallace. That was partly because there was a feeling in many parts of the Scottish legal system that people were overlooked for judicial appointments because they were not part of the Edinburgh mafia, as it tends to be called, and partly because Scotland had a more recent history of political appointments to the judiciary than England and Wales. When we examined the system in an earlier report, we found that it was working reasonably well and were hopeful that an appointments commission, admittedly on the much larger scale required for England and Wales, would be of real benefit.

When the reforms were announced, the Select Committee set about working and reporting on them, building on the work that we had already done on the judicial appointments commission. Most of the Committee's recommendations have been taken up by the Government, some willingly, some reluctantly in response to further pressure in the Lords and some on the basis of defeats in the Lords, a number of which the Government do not propose to reverse. Some of what we were saying was bolstered by the concordat between the Lord Chief Justice and the Lord Chancellor, which the hon. and learned Member for Redcar (Vera Baird) said was a successful piece of negotiation. Indeed, it has been referred to with a degree of envy by the Lords Chief Justice of several other countries as an impressive example of how to play one's cards effectively. The Lord Chief Justice did us all a service by getting certain things firmly clarified and accepted on all sides.

Among the things that we said was that the Bill is so important that it should be introduced as draft legislation and given proper consideration. The Government rejected that, but the objective was achieved by the decision of the House of Lords to set up a Select Committee and the decision alongside that, by all parties, to allow the Bill to be carried over into this Session. If that had not happened, it would have been rushed through, if the Lords had agreed at all, in the previous Session, and that would have been bad news. I have to say that I disagreed with my Front-Bench colleagues on that. In their determination to support the proposals, they felt unhappy about supporting the motion to refer the Bill to a Select Committee. The end result of the process is that the Bill has had much better consideration and can still be introduced within a reasonable time.

Another recommendation that we made related to the fact that the court is partly a United Kingdom court and partly the final appeal court in the separate jurisdictions of Scotland and Northern Ireland. None of that had been thought through when the proposals were first produced. I do not think that a moment's consideration had been given to that. We asked many questions and produced a lot of detailed information, and, to be fair to them, the Government responded fully, made significant amendments to the Bill and clarified a number of matters crucial to Scotland and significant also in Northern Ireland.

We also argued not only that supreme court judges should not be in the Lords—that is certainly my view—but that if there was any prospect of retired judges being appointed to the House of Lords while it continues in its present form, either all of them should be so appointed, or none of them. There should be no question of the Government picking those supreme court judges that they liked for preferment to the House of Lords. That would be undesirable and the Government accepted our view on that, too.

We stressed heavily the importance of the court's independence, including its financial independence. We felt that its financial and operational independence needed to be guaranteed and that its budget needed to be secure. We looked at examples, and at Australia in particular, to see how that could be done. To a large extent, that has been accepted. The Department for Constitutional Affairs is still involved, but the chief executive will be an accounting officer in his own right and several detailed improvements have gone some way to meet the Committee's recommendations.

We also felt strongly that the court should not operate until it had its own premises. The problem of perception could not be dealt with by having roughly the same people sitting in the same building—the House of Lords—being served by the same staff, and by saying that some new supreme court had been created. We

therefore welcome the fact that the Government accepted that the court needs its own building before it can start work properly. My view was that, if everything else could be settled, Middlesex Guildhall was the right place. I disagreed with Lord Bingham on that, but he is getting much of what he wants anyway, so we can reasonable argue with him on the merits of which building to use.

The Committee felt that the Lord Chief Justice should be primarily responsible for discipline and that that should not be a role for the new-style Lord Chancellor or whatever kind of Minister was to come. That, too, has largely been accepted and to a significant extent was sorted out in the concordat.

We strongly recommended an appointments commission, but even we did not anticipate how many versions of judicial appointment would emerge at the end of the process. Effectively, we have a three-tier process—an appointments system for the supreme court, an appointments system for the higher judiciary and an appointments system for all the lower ranks of the judiciary. For the first two, judges are very prominent indeed. Again, the Lord Chief Justice's negotiating skills played a significant part. That will have met, to a degree, the concern of the majority of my Committee that the commission should be chaired by a judge—not a view that I shared. It is a rare occasion on which my view is defeated by a Committee that I chair and a situation that I try at all times to avoid.

The Committee expressed some strong views on the role of Lord Chancellor. We said that part of that role

"is the protection of the judiciary from political pressure in Cabinet and, when necessary, in public."

The previous Lord Chancellor was prepared to act in such a way, and did so on one occasion in front of the Committee. In paragraph 13 of the report, we said:

"There is a radical difference between on the one hand a Lord Chancellor, who as a judge is bound by a judicial oath, who has a special constitutional importance enjoyed by no other member of the Cabinet and who is usually at the end of his career (and thus without temptations associated with possible advancement) and on the other hand a minister who is a full-time politician, who is not bound by any judicial oath and who may be a middle-ranking or junior member of the Cabinet with hopes of future promotion."

The Minister smiles—whether he sees himself in that position in future, I do not know.

The Committee felt strongly that such independence was important and we were regularly confirmed in our views by outbursts from Ministers that seemed to some of us to be somewhat threatening towards the judiciary. There was a classic example of that from the previous Home Secretary, who when addressing the Police Federation—a good occasion on which to get a cheer from the gallery—said, "We only want judges who will help us to do our job." That was not a good basis on which to set out the proposals. It further underlined—certainly in my mind—the importance of retaining a Minister who accepted responsibility in Cabinet for sometimes slapping down other Ministers who did not recognise the importance of judicial independence.

We anticipated something that the Government did not anticipate: how important the issue had become. The Government did not seem to think it terribly significant, even as the consultation went on, but it became clear that among members of the judiciary in particular the status of Lord Chancellor was regarded as an important safeguard for their position. We recommended that the office of Lord Chancellor should remain, at least for the time being, in its more restricted form—shorn of judicial appointments and, almost certainly, of responsibility for chairing proceedings in the House of Lords. I welcomed the Government's ultimate acceptance of that when it came by way of amendment in the Lords.

I personally do not think that it is essential that the Lord Chancellor should either be in the House of Lords or be a lawyer, but I am still concerned about how we achieve the Committee's objective of ensuring that the Lord Chancellor is not awaiting further political advancement and has the authority to challenge other Ministers on this most fundamental issue. I can think of many people who could do the job who are neither lawyers nor Members of the House of Lords, so I am not especially attracted by the amendments that their lordships passed as a result, to a large extent, of such motivation. Ministers must think further about the matter, so that we can ensure that the person who holds the office of Lord Chancellor and is responsible for relations with the judiciary has the status, authority and independence that he needs to be able to do that job.

I shall mention one other area that has not attracted much attention. The proposals on ecclesiastical appointments arose out of the original intention to remove the Lord Chancellor altogether. At the end of the day, the Government decided to move the appointments to the Crown, thus allowing them to continue to be made by the same people who are making them at the moment in No. 10 Downing street. That reflected the evidence session that the Committee held on the subject. We did not make any recommendations, but we had an interesting evidence session in which much of the weight of the evidence was to the effect, "Do not disturb this system, it is working very well." Those who wanted to change it could not agree on what to change it to. The argument that the matter should be left in the hands of public servants, who were unusually highly commended in the Committee's proceedings, clearly weighed with the Government.

On a large number of issues, the Committee's work was well justified, because it influenced the course of events. Many of our recommendations have been accepted, either willingly or slightly unwillingly by the Government, and we shall consider what happens in Standing Committee with the hope of reporting to the House prior to Report any further conclusions that we might reach.

8.26 pm

Annabelle Ewing (Perth) (SNP): I preface my comments by saying for the record that, like the hon. Member for Stafford (Mr. Kidney), I am a non-practising solicitor, albeit of the Scottish variety.

I shall focus my remarks on the detail of part 3, which deals with the proposals for the new so-called United Kingdom supreme court. Much has been said about the way in which the proposals came forth. It is certainly true that their timing was the direct result of the botched reshuffle in June 2003. As the right hon. Member for Berwick-upon-Tweed (Mr. Beith) said, at the time of the announcement of the creation of a supreme court, it had

[Annabelle Ewing]

been forgotten that final appellate civil jurisdiction—appeals in civil matters—still lay with the House of Lords. That fundamental issue had been entirely forgotten down here in Westminster.

There was no prior consultation with the Scottish Parliament and Scottish Ministers, which was a breach of the devolution concordats, which exist to deal, inter alia, with issues such as the important proposed changes to devolved areas of Scots law. At the time of the furore in Scotland when the proposals were first announced, the Scottish First Minister was asked his views on the failure on the part of the Prime Minister and the Westminster Parliament to consult him. He said simply that there was "absolutely no reason whatsoever" for the Prime Minister to have consulted him on such a major constitutional change. That says an awful lot about the limited lengths to which Scotland's First Minister will go to stand up for the Scotland's interests, a key aspect of which is the independence of the Scottish legal system.

The substance of the proposals has caused much controversy in Scotland. On the one hand, the proposals represent a missed opportunity to end the 18th-century anomaly whereby final appellate jurisdiction in civil cases lies south of the border, while on the other, serious questions remain about the compatibility of the proposals with the founding constitutional document of the Union between Scotland and England—the 1707 treaty of Union. On the first point—that an opportunity has been missed to repatriate to Scotland final appeals in civil cases—in post-devolution Scotland, where the Scottish Parliament has jurisdiction over both criminal and civil law matters, why is it deemed necessary, desirable or logical that final appeal in civil cases lie south of the border? There has never been a final appeal to the House of Lords in criminal cases in Scotland and it does not seem sensible to continue the anomaly in Scottish civil law. That is especially important when seen in the context of the specific proposals made in the Bill, which states—probably for the first time in statute—that the final judgments of the new supreme court are not to be binding outwith their respective jurisdictions. It has been said that the judgments will enjoy persuasive effect, but if they are not to be binding outwith their respective jurisdictions, why on earth do we need to go to London to have a final appeal heard in a Scottish civil law case? That makes no sense in post-devolution Scotland.

The fact that civil appeals lie with the House of Lords is simply an historical quirk. Now, in 2005, we have the ideal opportunity to end the anomaly and repatriate to Scotland final appellate jurisdiction in civil cases. That view has been echoed by many in Scotland both within and outwith legal circles. Professor Black, the renowned and respected professor of Scots law at Edinburgh university, described the present system of sending final appeals in civil cases to London as "crazy". He added:

> "I've always thought that civil appeals should be decided in Scottish courts . . . A UK supreme court should only be for constitutional issues".

I agree entirely, with the proviso that, when Scotland reclaims her independence, there will be no need for so-called devolution issues to be dealt with by a UK constitutional court—the UK supreme court—which is to take over jurisdiction in such matters from the Judicial Committee of the Privy Council. When Scotland reclaims her independence, the writ of the UK supreme court will not run in Scotland.

Mr. Beith: Presumably, the hon. Lady's proposal is for a further tier of appeal in the Scottish system to replace the supreme court.

Annabelle Ewing: Because Scottish law is devolved to the Scottish Parliament, it would be for the Scottish Parliament to decide whether and in what way any appeal in civil matters should lie from the inner house of the Court of Session. I am sure that it is not beyond the Scottish Parliament's wit to come up with a satisfactory solution.

I mentioned concerns about the compatibility of the proposals with the treaty of Union. A post facto consultation process was embarked upon but, in effect, the decisions had already been taken: the consultation was not on whether appeals should lie south of the border, but in what form the appeals should be made, whether there should be an automatic right of appeal or leave given to appeal, and so on. The fundamental issue was not addressed because the Government had already made their decisions. During that consultation, concerns were expressed by senior Scottish Law Lords, including Lord Hope of Craighead. The Faculty of Advocates in Scotland made a detailed submission, which was a devastating critique of the consultation document. I am sure that the Minister is aware of that and that he read it assiduously. However, if the Bill is not to fall foul of the treaty of Union, any appeal in a Scottish case south of the border must be heard in a court that is entirely separate and distinct from the English legal system. Having seen the detail of the proposals on the supreme court in the Bill, I am not satisfied that the requirements in the treaty of Union have been met. Key concerns about the funding arrangements, as well as the administration and operation of the supreme court, were raised by the Faculty of Advocates.

The funding of the supreme court will come out of the overall budget of the Department for Constitutional Affairs. When I asked the Minister about that, he simply said that the DCA was a UK Government Department. That was not the best answer to give, as all Whitehall Departments for the Westminster Parliament are viewed as UK Government Departments, and the DCA has little writ in Scotland, given that it is concerned mostly with the justice system in England and Wales. He therefore did not convincingly rebut my point. As for the administration of the new supreme court, we know from the Bill that its chief executive will be appointed by the successor to the Lord Chancellor—a DCA Minister—who will retain some functions relating to the workings of the judiciary in England and Wales. It cannot be argued, therefore, that the supreme court is entirely separate and distinct in all aspects from the English legal system, which raises serious questions about whether the Bill's proposals for a UK supreme court are compatible with the founding constitutional document that thirls Scotland to control from London.

In conclusion, we have heard much tonight about the separation of powers which, for the record, I favour. I also favour a written constitution and a Bill of Rights.

However, the key provisions of the Constitutional Reform Bill on the UK supreme court are unacceptable to my party not only because they represent a missed opportunity to end an 18th-century anomaly and repatriate final appellate jurisdiction in civil cases to Scotland but, given that they provide for a system that is not entirely separate and distinct from the English legal system, because they impinge on the integrity of Scots law. I was elected to Westminster to stand up for the interests of my country and, as a result, I cannot vote for a Bill that will do down the integrity of the legal system of Scotland.

8.38 pm

Sir Patrick Cormack (South Staffordshire) (Con): I am sure that the hon. Member for Perth (Annabelle Ewing) will forgive me if I do not follow her Scottish remarks in detail. Her speech and that of the right hon. Member for Berwick-upon-Tweed (Mr. Beith) were extremely fine, as they were of an exemplary length, and I shall try to emulate that.

I begin with an apology to the House and an expression of regret. I apologise for missing some speeches. As you know, Mr. Deputy Speaker, I am a member of the House of Commons Commission, and I had to attend an important meeting with Mr. Speaker. I was therefore undertaking House business, so I hope that colleagues will understand why I missed one or two speeches. I regret the fact that few Members are present in the Chamber to debate an issue of such extraordinary importance. It is particularly regrettable that the Government have run out of speakers.

Those of us who care about the Chamber—the forum and cockpit of the nation—will have to address this issue extremely carefully. What we need in the new Parliament—I suppose, as most of us do, that the present Parliament is nearly at its end—is a real determination to have the Chamber populated for major debates. When I first entered the House, and for many years afterwards, any major debate, especially a major constitutional debate, would have seen the Benches if not packed, at least respectably full throughout.

The Bill began in a most unfortunate way, as many right hon. and hon. Members have said. It was classic back-of-the-envelope stuff. A major constitutional reform of this nature should have been preceded by a White Paper, and preferably by a Green Paper before that. There should have been a draft Bill for both Houses to consider in detail. The proposals should have been clear, coherent and deliverable. What happened in the wake of that extraordinary reshuffle a couple of years ago did none of those things. So we were left, especially in the House of Lords, with a dog's breakfast.

We all owe an enormous debt of gratitude to the other place for the way in which it has tackled the Bill. It went through its own special procedures and it has now produced something for us that is, to a degree, coherent. We owe also a particular debt of gratitude to the Lord Chief Justice. The hon. and learned Member for Redcar (Vera Baird) has cited him on a number of occasions. I do not think that his enthusiasm was necessarily quite as great as she said, but he has behaved in an impeccably constitutional manner. Like the famous Irishman in the story, he would not have started there. However, confronted with what was a potential constitutional crisis he brought to bear his patience, his wisdom, his determination and his eloquence. He has played a major part in creating the Bill that is before us. It is very much a curate's egg of a Bill, in that it is good in parts.

Mr. Garnier: Does my hon. Friend accept that one of the reasons why the Lord Chief Justice was able to be so effective in influencing this debate is because he has been able to speak and participate in the House of Lords?

Sir Patrick Cormack: My hon. and learned Friend anticipates my arguments to some degree. Had we not had Law Lords in the House of Lords and had we not had the Lord Chief Justice in that place, goodness knows where we would have been.

I am sorry that the right hon. Member for Berwick-upon-Tweed has had to leave the Chamber briefly. He gave an admirable exposition of his Committee's views, especially in regard to the office of Lord Chancellor. He slightly distanced himself from those views, but when he said how crucial it was that the Lord Chancellor should be a figure of eminence, somebody who was not in any way influenced by his own political ambition, he described the sort of figure that the Lord Chancellor, as envisaged in the Bill as it stands, would be.

Unlike the hon. and learned Member for Redcar, to whom I listened with great respect—as always, she spoke persuasively and eloquently—I accept the logic of the argument that the Lord Chancellor should be in the House of Lords and should be a lawyer. In particular, he or she should be in the House of Lords. I would be delighted to see a woman Chancellor. We have had a woman Speaker and a woman Prime Minister, so why should we not have a woman Lord Chancellor—somebody who could do that job?

We need someone who is no longer motivated by political ambition and who, as my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) said—or my noble Friend—can stand up to the Home Secretary and, as I said in an intervention, stand up to the Prime Minister, as well. Looking back over my years in the House, I can think of a number of Lords Chancellors who did that. I think of my dear friend Lord Elwyn-Jones, for instance, from the other side of the House. I think of the last Conservative Lord Chancellor, Lord Mackay, whose quiet, avuncular wit, but firm authority, enabled him to say things that others perhaps could not say. Of course I also think of the wonderfully rumbustious and very wise Lord Hailsham—and there are others.

If the Government of the day have a large majority, we need someone in the Cabinet who can stand up to the Prime Minister. It was Lord Hailsham who coined the phrase "the elected dictatorship". In whichever part of the House we sit, we must all accept that when a Government have an enormous majority, as the present Government enjoy, they can do pretty well what they want and what the Prime Minister wants. I was critical in supporting Lord Pym, who was sacked for his pains, when he spoke of not wanting too big a majority in 1983. Things began to unravel for the Conservative Government when the overall majority of 140 or so was attained. I believe that many poor and even bad decisions have been made by the present Government mainly because of their huge majority.

[Sir Patrick Cormack]

In such a situation, someone at the Cabinet table who enjoys enormous respect, who is not ambitious, but who has an innate authority and who can speak up, is a great safeguard of many of our constitutional liberties. So yes, I am perfectly happy to see the Lord Chancellor shorn of some of his powers and responsibilities, as the Bill proposes, but I want the Lord Chancellor to be a man or woman of real authority, transparent integrity, wisdom and experience. I accept that it may not be necessary for the Lord Chancellor to be a lawyer, although I would prefer that, but he must have the attributes that I described.

I very much hope that as the Bill goes through the House there will be no attempt to take out those parts of the Lords amendments. I am glad that the office of Lord Chancellor, ancient as it is—it has changed many times over the centuries; it used always to be a bishop—is not be removed from our constitutional history.

Vera Baird: I am following with great interest what the hon. Gentleman is saying and I agree wholeheartedly that the Lord Chancellor needs to be a person of substantial integrity and authority, for the very reasons that the hon. Gentleman set out, but it is difficult to put that in legislation. Why does he think that it a sufficient proxy to say that the Lord Chancellor should be a lawyer and a peer?

Sir Patrick Cormack: I said that I had a slight preference—perhaps it is a prejudice—that the Lord Chancellor should be a lawyer. Why should he be a peer? I address that directly. I am one of those who believe in the House of Lords more or less as it exists. I do not want to see an elected second Chamber. One of the great attributes of a senior peer is that he or she has no fear or favour as regards party considerations. It is important that the Lord Chancellor is somebody who is not dependent upon patronage, who is there—not in the office of Lord Chancellor, of course—for life, and who brings a great deal of experience from previous jobs to the office of Lord Chancellor.

We are speaking in the context of our present parliamentary system. I have made my position plain. Unlike my right hon. and learned Friend the Member for Sleaford and North Hykeham, I do not want to change it. In our present system, it is far better to have the Lord Chancellor in that place than in this place. Most hon. Members who aspire to high office have ambition. Ambition is not always a grievous fault, as Mark Antony satirically had it. Ambition is a decent motivating force, but it is not the best motivating force of a Lord Chancellor.

Mr. Garnier: May I provide another reason and see whether it attracts my hon. Friend? The Lord Chancellor not only has to command the respect of his Cabinet colleagues, particularly the Prime Minister and the Home Secretary, for the reasons given by my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg), but in so far as he is the voice of the judiciary in Cabinet and of the legal system, he must also command the respect of those whom he is representing from that constituency. My fear is that a Minister in the Commons, who was seen to be looking at the job as merely a stepping stone to greater things, would not command the respect that would be required of him in the judiciary and the legal profession as a whole. That is open to criticism and to argument, but it is certainly a reason that is worth considering.

Sir Patrick Cormack: It is. My hon. and learned Friend makes an extremely valid point, and it is one with which I find myself in very real sympathy. The Lord Chancellor of the day, even if he is not of the judiciary, should be regarded by it as a peer in every sense; somebody for whom it holds respect; somebody whom it can look up to. I beg the Minister not to close the door when he is talking about those amendments that would require the Lord Chancellor not only to remain as a title, but to be a Minister in the other place—and, frankly, preferably, a lawyer. Even the hon. and learned Member for Redcar, who does not particularly want the holder of the office to be a lawyer, admitted that the next three or four probably would be.

I conclude by referring, as others have, to the manner in which the Government are presenting the Bill to the House. There was quite a little uproar this afternoon, in which I took part, over the Bill's timetabling. I am one of those who do not like the automatic guillotining of Bills, which is what we have when we have a programme motion at the end of every Second Reading. We now have the programme motions without any debate, which was why Mr. Speaker, when I raised the point of order, said that it was entirely permissible to make some of these points on Second Reading. We learned to my horror and, frankly, to my disgust today that there had been no agreement between the three major parties, let alone the minor parties, on how the Bill should be taken.

It is the tradition that constitutional Bills are taken on the Floor of the House, and that is a good tradition, not only because it focuses the nation's attention on this Chamber, but because every Member of this Chamber can come and take part in debates on amendments when it is appropriate to do so. The whole of the Bill should have been taken on the Floor of this House of Commons. However, real insult has been added to parliamentary injury by the way in which the Bill has been carved up, because whatever the Minister's extremely amiable and very patient ministerial colleague might have said this afternoon, and indeed his hon. Friend admitted as much during an intervention earlier this evening, the fact is that it is the Government who have broken off negotiations with other parties and who have decided how the Bill should be divided up and which aspects debated on the Floor and which in Committee.

That is bad. It shows a disdain for and a disregard of Parliament, which is insulting to us all—not just those who sit on the Opposition Benches, but those who sit on the Government Benches as well. Although there are not many of them here tonight, there is one who knows what it is like to sit on the Opposition Benches. If we have any length of time in this place, we all learn what it is like to sit on the Opposition Benches. Parliament itself, holding the Executive to account as it must, must be allowed the leeway to do so by the way in which legislation is considered.

In the beginning, I said that the Bill should have been started as draft legislation, but that did not happen—this is where we are; I wish that we were not. As we are

here, however, the Government should relent and say that the whole of the Bill will be considered in a Committee of the whole House. That would save the Government time on Report and would not add a great deal of time to the consideration of the Bill. In so doing, the Government would earn back a little of the respect that they have forfeited from all who hold the parliamentary system in high regard.

8.55 pm

Mr. David Heathcoat-Amory (Wells) (Con): I am pleased to follow my hon. Friend the Member for South Staffordshire (Sir Patrick Cormack). I entirely agree with the wise remarks about how the Government have presented the Bill to the House. For that reason, I will not dwell on those points, except to endorse them wholeheartedly.

I am drawn to this debate not as a lawyer, but as part of the lay element—I have always regarded constitutional matters as being of supreme importance. The longer that I am a Member of this House, the more regard I have for constitutional issues, because they concern where power resides in the country, who exercises it and who is accountable, and to whom those people are accountable, how they can be removed and how they are appointed. Those issues transcend the temporary decisions of passing majorities in this House and lay down the ground rules under which future decisions will be taken.

What I have just said is disguised by the fact that we do not have a written constitution in this country. If we were in the United States, Australia, India or anywhere else with a written constitution, it would almost be certain that the issues before us today would be subject to constitutional amendments and would therefore require super majorities in the relevant parliamentary Houses and possibly a referendum too.

Under the unwritten British constitution, however, no Parliament can bind its successors, and no law or Act, whether constitutional or otherwise, is entrenched. Some disagree with that statement and claim that the Bill of Rights after the Glorious Revolution has an overwhelming status in our constitutional history to which we must refer, but the Dicey doctrine holds sway among most constitutional lawyers in holding that there is legally no such thing as a constitutional Bill and that any future Parliament may therefore repeal any previous Act, whether it is constitutional or not. That is the British system and the British way. It follows that the Government of the day may introduce or amend any Bill that they like in exactly the same way as any other legislation.

That is the legal position, but politically successive Governments have approached those matters with a good deal of caution and forethought, and even with humility. That makes it doubly disappointing that, in promoting the Bill, the Government have, as my hon. Friend the Member for South Staffordshire said, denied us the possibility of debating which clauses should be decided on the Floor of the House and which should be decided Upstairs. That is a monstrous denial of parliamentary powers and rights.

I have something even more troubling to say: the Government are serial offenders on constitutional reform and seem to regard the British constitution as something to be tinkered with as a matter of passing convenience. They lurch from one ill-thought-out proposal to another without any real understanding or analysis of the underlying principles and accumulated wisdom that is personified in that collection of statutes and conventions that we call the British constitution. They resemble a blind monkey trying to do a jigsaw puzzle. We have had the botched and uncompleted reform of the House of Lords; the fiasco over regional assemblies; and the proposed European constitution, which will be this country's written constitution if the Government get their way, and is being introduced without any plan or any real understanding of the implications of what is at stake.

So we come to the attempt to abolish the office of Lord Chancellor, which, as we have heard several times today, was done as part of a reshuffle. The office of Lord Chancellor is older than this Parliament, and it is outrageous that the temporary Prime Minister of the day should, as a matter of passing convenience, announce its abolition as part of a reshuffle without any consultation. There was no White Paper, nor were the Queen, the senior judiciary, the Cabinet or the House consulted or informed in any way. There was nothing about it in the Labour manifesto; no mandate whatsoever exists for these reforms. It was simply a way of conducting an awkward reshuffle, getting rid of one friend of the Prime Minister and replacing him with another.

That is a shameful way of approaching matters of such importance, particularly given that as recently as 2003—the year of the notorious reshuffle—the Government defended the position of Lord Chancellor, saying that that office,

"straddling as it does the three parts of the constitution, makes its holder uniquely placed to protect the interests of each part against the demands of the others. In particular, it both upholds judicial independence and mediates between the executive and the judiciary when occasion for controversy arises."—[*Official Report, House of Lords*, 7 March 2003; Vol. 646, c. 1095]

What happened in the three months between that statement and the proposed abolition of that ancient office? Of course, those original proposals have been heavily amended in another place, which I congratulate on its struggle to get the Government to rethink their proposals, and I hope that they will accept most of the amendments that were forced on them or agreed to. However, the proposals remain radical.

The Government now have a new way of justifying the Bill. Many hon. Members referred to the separation of powers. Of course, I understand that the doctrine of separation is reflected in various parts of our constitution. Power should not reside in one person or one institution, and there must be a check and a balance on the exercise of all powers. However, it is a completely different matter to advance a pure separation of powers, which does not exist under the British constitution and never has. This House is a standing affront to the pure separation of powers. Of course, in some respects we are a legislature, because we pass laws, enact legislation and check the Executive, but we also support the Executive, who are among us and arise from us. One of the duties of the House of Commons is to support the Executive of the day. That commingling of different parts of Government is established in the House that is debating this Bill.

[Mr. David Heathcoat-Amory]

So it is with the judiciary. It was noticeable that when the Government recently wanted somebody to do a very political job—to conduct an inquiry into the death of the weapons inspector, Dr. Kelly—they appointed a Law Lord. The idea that has been advanced today in various quarters that there must be a rigid, pure and absolute distinction between the institutions of the judiciary, the Executive and the legislature does not apply and never has, and the Government do not believe it.

If the separation of powers is so important under the European convention on human rights and we are said to be vulnerable to a challenge, how is it that we signed the convention in 1950 and have existed for more than 50 years under the system whereby powers are not absolutely separated? If there is a problem and an impending court case under the convention in which we are said to be in breach of article 6, let us hear about it and deal with it. However, I know of no such case. The reverse is true—the independence and impartiality of the British judiciary are widely admired throughout the world. Indeed, the Government suffered from that when the judiciary in the House of Lords overturned their attempt to incarcerate people in perpetuity without trial. That happened over detainees.

The independence does not depend on any theoretical separation of powers but can be traced to the fact that we have—or had until now—a senior member of the judiciary at the heart of British Government. Again, my hon. Friend the Member for South Staffordshire made that point. It is crucial that that position continues in order to safeguard the rule of law and the independence of the judiciary against attacks by weaker members of the Government of the day, who are always irritated by the judiciary. Indeed, the previous Home Secretary recently expressed his frustration at the judiciary, which was inhibiting some of his plans on asylum and immigration. That is a bit rich from a Cabinet Minister in a Government who imported the European convention on human rights into our law.

A Lord Chancellor with the same status as in the past is better than declarations in the Bill that assert the judiciary's independence and the rule of law. They have no more than a declaratory value because no one will enforce them judicially. I quake at the idea of replacing the Lord Chancellor, with his historic office and traditional seniority, whereby he ranks alongside the Foreign Secretary and the Home Secretary, with a more junior Minister who may be called Lord Chancellor but will be no more than a career Minister on his or her way up the greasy pole, will have no respect for many of the conventions and will not bring to the Cabinet and the centre of Government the weight and authority that is our best safeguard of the rule of law and the independence of the judiciary.

Of course we need amendments from time to time. The idea of the Lord Chancellor's sitting as a judge has had its day. The Law Lords have agreed among themselves not to vote on matters that are partisan or could come before them in their judicial capacity. The position continuously evolves. However, the Bill goes much further. I am worried by the prospect of granting responsibility for appointments, even with a judicial appointments commission in place, to a comparatively junior Secretary of State, who may be called Lord Chancellor. I am more worried about that than about the Lord Chancellor's making appointments under the current system.

It is bizarre that the Government and the Under-Secretary who opened the debate made no criticism of the current appointments system. The hon. and learned Member for Redcar (Vera Baird) criticised it and she holds a more logical position. If there is something badly wrong with the current appointments system, let us change it. However, the Government's position appears to be that there is nothing wrong. They have no allegations about the quality of appointments or the criteria—they say that appointments should be made on merit—but they still want to change the system. I have observed lapses in the behaviour of recent Lord Chancellors, but not in regard to making appointments. I and others were critical, for instance, of the last Lord Chancellor for holding fundraising dinners for the Labour party while he was Lord Chancellor, but I certainly have no criticism of his judicial appointments.

Mr. Lammy: The Government have specifically talked about the pool from which candidates are drawn, and about diversity in the context of race and gender. We have made it clear that that is the case for opening up the appointments system.

Mr. Heathcoat-Amory: Yes, and I have no difficulty with that. Those additional criteria can be taken into account by the present Lord Chancellor in making those appointments. I have no quarrel with the proposal to amend the system of judicial appointment. What worries me is that the final decision and the accountability to Parliament will rest with a comparatively junior Minister if the office of Lord Chancellor falls into the hands of a career politician whose final loyalty is not to the office of Lord Chancellor, as it has been up to now.

My other observation about appointments goes a little wider than the Bill. I am worried by the fact that judges' political backgrounds will become more relevant to the judicial appointments system. This is perhaps inevitable, with the spread of human rights legislation, but it will be extremely dangerous if the background and opinions of judges are to be taken more explicitly into account. That is certainly the case in the United States, simply because judges there, particularly those in the Supreme Court, make political decisions. The whole issue of abortion, for instance, is not decided by Congress, by the political system or by the interplay of political forces at election time. It is not fought out in the political arena. The issue of abortion is a judicial matter. That is why frustrations build up, and why people shoot doctors and blow up abortion clinics in the United States. Those actions are borne out of a frustration that nothing can be done through the political system—by lobbying Congressmen or asking their opinions, for instance—except by going to the extreme lengths of passing a constitutional amendment. None of that can affect the abortion issue; it has to be decided judicially. That builds up frustration and takes decision making further away from the ordinary citizen, and I am worried that we might be moving gradually down that route because of the impact of human rights legislation on our judicial system.

My last point concerns the supreme court. It has been said that a move out of the House of Lords to a separate building will somehow enhance the court's authority and standing. I think that the opposite will happen. It is almost certain that the new building will turn into another procurement fiasco, which will undermine the public's belief that these changes are anything more than an attempt to endow the governing class—the judiciary, the legislature or whoever; they are all rolled together in the eyes of the public—with another grand building and another opportunity to spend more public money.

I was disturbed by the non-answers that we received to our questions about the costs involved. The explanatory notes to the Bill seem to suggest that the Treasury's attitude is that the costs of administering the civil law should be recouped in court fees. Indeed, 80 per cent. of the running costs of the supreme court will have to be recovered in that way. It follows, therefore, that the obviously greater cost of moving to a different building—the Minister mentioned a capital cost of £30 million, with another £15 million for the displaced court that currently occupies the proposed building—will have to be recovered. Under resource accounting, the capital cost of such a building appears as a depreciation charge and is therefore included in the running costs. In addition to the cost of running the new building, the capital cost of it will also have to be recovered, not as a contribution from the taxpayer or from the Exchequer, but by those who are seeking access to the courts system.

A supreme court is a rarified forum for most people to litigate in, but it follows from what the Government said that the additional costs—as the Government already admit, even before the predicted escalation—will be a cost on the courts system and, indirectly, will fall on those who seek access to our system of justice. That worries me and during discussion of the Bill we need further and better particulars about the accuracy of the estimates.

My final point concerns the name "supreme court". If the Government get their way over the European constitution, the supreme court will be not in this country, but in Luxembourg. That is the juggernaut coming down the road towards us in the form of the European constitution. I represented the interests of this House on the Convention on the Future of Europe and several members proposed that the European Court of Justice should be renamed the European supreme court. That idea was turned down for reasons of political sensitivity in member states, but the powers of the European Court of Justice will expand enormously under the European constitution and it would be appropriate to call it a supreme court. It will have the power to interpret the new constitution and in cases of dispute it will have judicial authority. There will be no right of appeal from the European Court of Justice on matters of the European constitution. Of course, the constitution takes in new areas, including criminal justice. Under the primacy clause—article I-5a—the whole constitution and all its institutions have a claimed explicit primacy over any national laws.

The European constitution incorporates formally the whole European charter of fundamental rights. The British Government's objections were overruled, so when the Union legislates on a matter such as asylum, as it has done, the EU charter of fundamental rights will, thereby, become fully binding on this country. No British court and no part of the British Parliament will be able to overrule the decisions of the European Court in that interpretation.

We may debate what we fondly still imagine to be a supreme court in this country, but its title will be incorrect. It will not have supremacy over the new, rebranded European Court of Justice under the proposed constitution. I suggest that if the constitution is ratified—I hope that it will not be—our court should be called not a supreme court, but, more accurately, the British national court.

This is a bad Bill born of expediency. The principles that are supposed to underlie it are confused and mistaken. It has learned nothing from the past, but seeks to overturn the inherited wisdom that has built up in what we call the British constitution. It ignores the real constitutional revolution that is heading our way in the form of the first written British constitution since 1653: the European constitution. For all those reasons, I recommend that the House rejects the Bill.

9.19 pm

Mr. Clive Soley (Ealing, Acton and Shepherd's Bush) (Lab): If the right hon. Member for Wells (Mr. Heathcoat-Amory) was so concerned about the European constitution he should have voted against Lady Thatcher's introduction of the Single European Act, which was one of the biggest constitutional changes made in this country.

First, I have an apology. Like my hon. Friend the Member for Stafford (Mr. Kidney), I missed part of the debate to attend one of those quiet and relaxing meetings of the parliamentary Labour party where nothing ever happens. However, on this occasion the Lord Chancellor spoke extremely well on the very issue that we are discussing.

As a member of the Select Committee on Constitutional Affairs, and as someone who has been interested in the subject for many years, I have a few comments to make, but I shall be brief. As I have said before in the House, the British constitution has evolved over many hundreds of years, but at times—as at present—the Conservatives seem to think that it is set in aspic and that we should hold on to it for ever. We would not have some of our great traditions to defend if we had not changed things in the past. Change is long overdue. Before the 1997 election, I said that even if the Labour Government did nothing but make the constitutional changes we were talking about at that stage, Britain would never be the same again. Such change is a good thing. It is long overdue, and we should have made it before.

Opposition Members say that judges must be appointed on merit, and they are right, but they are only just beginning to recognise that something was seriously skewed in the previous judicial system, inasmuch as that there were hardly any—if any—women or ethnic minorities at senior level. The Conservatives could have done something about that when they were in government, but they never did.

I have listened to comments made throughout the debate about the need to debate all the Bill's stages on the Floor of the House. The Opposition may win that concession. Who knows? We should recognise,

[Mr. Clive Soley]

however, that, as my hon. Friend the Member for Stafford said, few Members from any party have attended the debate today. The reason for that, I suspect, is that for too long we have seen such issues as issues for the Lords. The Lords have debated the Bill, and I can assure Members on both sides of the House that the Labour party has held plenty of discussions about it, but there has been relatively little debate in the Chamber. I am concerned that if we were to take all stages of the Bill on the Floor of the House we might have difficulty in increasing the number of Members who want to take part. There is something to be said for taking the important parts of the Bill on the Floor of the House while dealing with less contentious parts elsewhere. That would achieve a better debate.

As a member of the Select Committee, I visited Australia and New Zealand, which have many similarities to Britain, to look at their constitutional courts. One of the most important lessons we learned was that although, as we all agree, it is vital to make a distinction and ensure the independence of the judiciary from the political system, it is a mistake to have too much of a gap between the two, in the sense that we could end up with a closed-shop legal system in which judges appoint judges and the whole thing feeds on itself—something greatly feared in Australia and New Zealand. I regard the legal profession as one of the strongest closed shops of all time, yet it was never dealt with by either Lord Tebbit or Margaret Thatcher.

Opposition Members must take on board the complicated arguments about the need to bring the judicial system closer to the people. People in my constituency and elsewhere feel that things are moving on crime and law and order, and that policing is getting better. However, the trouble is the view that, as someone who phoned me today about offences said, "But of course the courts will ignore that, won't they?" One reason for that view is that the legal system, especially as set up in the House of Lords, is not close enough to the people—as we have argued in the Labour party for many years.

The Opposition say that the Lord Chancellor—someone who spends about £3 billion a year, running a Department—must be a lawyer and sit in the Lords. Why? There is a very strong case for the Lord Chancellor to be answerable in this House and to be heard on the media, defending the way in which the system works and arguing about how it needs to change to improve the lot of the people of this country, when we are dealing with judicial matters.

If we consider what happens in other countries that have systems similar to ours—the Constitutional Affairs Committee rightly chose to visit Australia and New Zealand—there is strong evidence for better political oversight of the judicial system, and the independence of the judiciary from the political system can be maintained. I agree about the need for the independent appointments body and all that goes with it, but there should be more effective political oversight, with a requirement that the people in the key positions—obviously, the Lord Chancellor is one of them—must be answerable to the people.

I might have got some of the details wrong about the father of the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), but I have a vivid memory of his father ringing the bell and making a great Conservative speech, while aiming to become Prime Minister and then popping up as Lord Chancellor. As a relatively new and interested person in politics, I was told that those two things must always be kept separate—but that was always nonsense, and a bit of a window-dressing exercise.

In fact, Lord Chancellors are politicians, and most people outside the House have spotted it—they know that Lord Chancellors are members of political parties—and it is time that we recognised that, but let us not worry too much about whether they sit in the Lords or the Commons. Certainly, let us not worry too much about whether they are lawyers. I agree that they must be able to speak up effectively for the independence of the law, but they do not have to sit in the Lords.

Mr. Hogg: One could make the same comments about the office of the Speaker.

Mr. Soley: One could, but that is a much easier matter to deal with. The House of Commons and the House of Lords can deal with those matters themselves and come up with a system that works. We are talking about something that has an impact on the vast bulk of the population, and those in the legal profession must answer the question why so many people see them as being very expensive and largely inefficient. That is not a good image, and they need to think about it.

9.27 pm

Mr. Edward Garnier (Harborough) (Con): One of the advantages that the hon. Member for Ealing, Acton and Shepherd's Bush (Mr. Soley) has over me is that he was able to make a speech wholly uninfluenced by most of the contributions made earlier in the debate. That may be something that the House will value. It is a pity that he was unable to be here to listen to the entirety of the debate, as I have done—no doubt he was absent for very good reasons—because he would have realised from the outset that he did not need to speak the first sentence of his speech, given that the Opposition Members who have spoken do not take the antediluvian attitude that he ascribes to us.

Many Opposition Members have spoken not in support of the Bill, but in support of some of its aspects, particularly in relation to the judicial appointments commission. There is much to be criticised in the detail relating to the judicial appointments commission, and my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg) set out those criticisms very clearly. When the hon. Member for Ealing, Acton and Shepherd's Bush has a moment, perhaps tomorrow, I suggest that he read the speech of my right hon. and learned Friend, because, clearly, he did not have the advantage of listening to it this afternoon.

A number of hon. Members have criticised the Prime Minister for making these constitutional reforms, particularly in relation to the Lord Chancellor's office, on the back of an envelope, as part of a Cabinet reshuffle. Those criticisms are well made. That is not to

decry all things that have been written on the back of an envelope. As I understand it, Abraham Lincoln's Gettysburg address was written on the back of an envelope, and it was none the worse for that. However, we are not here presented with some Leonardo-style doodle by a perceptive intellect on the constitution; we are hearing about what is effectively a mediaeval assassination note written by a contemporary Henry II to rid himself of a turbulent Lord Chancellor, Lord Irvine of Lairg. To do that, the Prime Minister had to invent a system that required the abolition of the office, without thinking of the consequences.

Most acts have consequences, and this act by the Prime Minister had profound consequences. It led to an embarrassing start for the office of the current Lord Chancellor, Lord Falconer, who is in every respect a perfectly likeable person, but who does not, I am afraid, carry either the political or the legal authority of many of his predecessors.

The Lord Chancellor is not always a politician. Lord Mackay of Clashfern was primarily a huge legal intellect, who reached the very highest office as a Scottish judge and as a Law Lord. He was translated into the office of Lord Chancellor, and I am not even sure that he was a member of the Conservative party until he became Lord Chancellor. The hon. Member for Ealing, Acton and Shepherd's Bush was wrong about that too.

Irrespective of whether a Lord Chancellor was a former party politician, it was assuredly true that once he became Lord Chancellor, he gave up any form of party political ambition and concentrated on doing what he was employed to do by the state: to defend to his last breath—to quote Lord Hailsham—the independence of the judiciary. It takes someone of intellect and authority, and someone who is respected by the judiciary, no matter whether they are appointed by a judicial appointments commission or under the old system, to command not only the respect of the judiciary and the legal profession—one can be as rude as one likes about either of those institutions—but of Cabinet colleagues and the Prime Minister.

It is no good critics of the old system saying that the Lord Chancellor was no more than a jobbing politician, the protector of a vested interest and not a serious modern part of a modern constitution. It seems to me, at least—I leave it to others to make up their minds whether they agree with me—that the reason that the office of the Lord Chancellor is old is because it is good and has served a useful constitutional purpose. However, the Prime Minister, his friends and those who like to write constitutional reforms on the backs of envelopes now come and tell us that the Lord Chancellor's office is bad, because it is old and needs to be modernised. As many Conservative Members have demonstrated all too well in the debate, the Government's arguments are ill thought out and have not been properly assessed.

One of the arguments put forward by the Government is that the office of Lord Chancellor is now out of date, so we should have a modern Secretary of State in the House who can secure the interests of that spending Department. If one changes the nature of the office or of the job—the "post", as the Prime Minister prefers to call it—it becomes increasingly ridiculous to call that office holder the Lord Chancellor.

The Lord Chancellor whom the Government would like to see is no more than a junior or middling rank Cabinet Minister. Indeed, we see the genesis of that in the current pecking order in the Cabinet list. Whereas the Lord Chancellor used to be No. 2 or 3 on the list—immediately after the Prime Minister—he is now second or third bottom in the Cabinet pecking order. That might be of no importance whatever, but it just so happens that the Government intend to fillet out the Lord Chancellor's functions and turn him into no more than the presiding officer over a spending Department. They will then say to the public, "How ridiculous to have a man who is the Secretary of State for Constitutional Affairs, the Speaker of the House of Lords, and a member of the other arm of the constitution. It is quite improper nowadays for this person to have a limb in each of the three parts of the constitution." The Government are performing a great con trick, and it is contemptible for them to try to persuade us that the changes that they are bringing forward are based on any thoughtful appreciation of what the constitution has stood for, and what the office of Lord Chancellor means.

The Minister who opened the debate said that it was right for the person who administers the courts to be a full-time Minister in this House—but that argument is not especially useful when talking about the role of the Lord Chancellor. The Lord Chancellor's role is something else. We could have a courts Department, but if we go back only 20, 30 or 40 years—before the Lord Chancellor's Department, or, now, the Department for Constitutional Affairs, became such a spending leviathan—all the arguments that the Minister put forward at 3.30 pm fall to bits. *[Interruption.]* I can hear my hon. Friend the Member for Reigate (Mr. Blunt), but I have something to say.

The Minister said that changing the present situation would settle and clarify the relationship between the courts, the Executive and Parliament and make it easier to understand. If there were any logic behind the Government's arguments, they would remove the Executive from the legislature. If they wish to be purists in the misunderstood sense of Montesquieu, as the hon. Member for Stafford (Mr. Kidney) said, they would clearly separate all three limbs of the constitution, but they will not do so.

It is a pity that I have so little time, because although my views are no better than those of any other hon. Member, I would at least like the occasional opportunity to express them in the House. I would have liked to criticise the Government's proposals on the supreme court and criticise, yet support in part, their measures concerning the judicial appointments commission. Others have said a great deal about that, and no doubt hon. Members who could not attend the debate will be able to read what was said tomorrow.

The Bill is by and large regrettable. Its conception was ill advised, and its nurture has not been improved by the arguments put forward by the Government.

9.37 pm

Mr. Jonathan Djanogly (Huntingdon) (Con): I declare my interest as a practising solicitor. It is good that a fair balance of lawyers and non-lawyers have spoken. We have had an interesting debate, but given the Government's proposals, it has not been satisfactory.

[Mr. Jonathan Djanogly]

As my hon. Friend the Member for Beaconsfield (Mr. Grieve) and other colleagues made clear, the constitutional proposals in the Bill began life as a slapdash press release from Downing street. One and a half years later, the Government's proposals remain as ill conceived as ever and insult has been added to injury because they have refused to allow such serious constitutional issues to be considered fully in Committee on the Floor of the House, as my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) powerfully explained. My hon. Friends the Members for Aldridge-Brownhills (Mr. Shepherd) and for South Staffordshire (Sir Patrick Cormack) and my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) supported that point.

The official Opposition will not oppose constitutional reforms that genuinely benefit this country, even when they are contained in such an unfortunate Bill. We accept the premise of the concordat and the redefining of the relationship between the judiciary and the Government for the reasons succinctly expressed by my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg), my right hon. Friend the Member for Wells and others. We thus do not object to the judicial appointments commission as long as merit, rather than a candidate's political views or crony potential, remains the sole criterion for the selection of judges.

The hon. Member for Stafford (Mr. Kidney) and the hon. and learned Member for Redcar (Vera Baird) broadened the argument about the commission by suggesting that there should be a greater mix of gender and ethnicity and more solicitor judges. The hon. Member for Stafford supported a more evolutionary approach, whereas the hon. and learned Member for Redcar was slightly more revolutionary.

We will not, however, support the acts of constitutional vandalism proposed in the Bill. What my hon. Friend the Member for Beaconsfield called the unedifying spectacle of the undermining of the historical office of Lord Chancellor and the creation of an unnecessary new supreme court are not changes that we believe the House ought to accept. Concerns about the Government's plans have been eloquently expressed, both in this place and throughout the Bill's passage in the other place.

I should like to address some of the interesting, and sometimes persuasive, arguments that we have heard today. Various hon. Members have considered the office of the Lord Chancellor. The right hon. Member for Berwick-upon-Tweed (Mr. Beith) explained the importance with which different groups view the role and its independence. We are still shocked by the Government's determination to mount an assault on this long-standing and constitutionally vital position. Indeed, it is only as a result of an Opposition amendment in another place that the Lord Chancellor has not been wiped clean off the face of the Bill.

In supporting the Bill for the Liberal Democrats, the hon. Member for Somerton and Frome (Mr. Heath) made a wide-ranging speech, which included his views on banning all Ministers in the other place and developing the role of the Attorney-General. I do not agree with him that a Secretary of State for Constitutional Affairs will have a stronger position in Cabinet than an unelected Lord Chancellor. We believe that the Lord Chancellor has, and should have, a vital role in upholding the rule of law and as the guardian of judicial independence. He should continue to act as the key link between the judiciary and the Executive, and his influence over constitutional matters should be maintained through the tenure of a senior Cabinet post.

Their lordships took a further opportunity to defeat the Government in the other place. In doing so, they secured an amendment to the effect that the Lord Chancellor must always be a member of the other place, as is the convention at present. That requirement would underline his ongoing constitutional role. He would also continue to assist in placing at least some distance between him and the political pressures of this place. Another Opposition amendment ensured that the Lord Chancellor will also need to have gained experience as a senior lawyer or judge. To undertake their delicate role, future Lord Chancellors must continue to be equipped with experience of interpreting the law.

The Minister today announced the Government's intention to reverse those improvements to the Bill. After the significant work in the other place, that is regrettable. As my right hon. and learned Friend the Member for Sleaford and North Hykeham said, both the requirement for membership of another place and that for senior legal experience will help to attract individuals who should be less susceptible to any political influence. As he eloquently put it, they will not give two hoots for preferment or patronage. We welcome that.

I agree with my hon. Friend the Member for South Staffordshire that the Lord Chancellor has the inherent power to stand up to Prime Ministers. He and my hon. and learned Friend the Member for Harborough (Mr. Garnier) also made the important point that, had we not had the Law Lords in the upper Chamber, the content of the Bill, as it was delivered to this House, would be much worse.

My right hon. Friends the Members for Suffolk, Coastal (Mr. Gummer) and for Wells, and my right hon. and learned Friend the Member for Sleaford and North Hykeham spoke of how style and convention is vital to the work of the Lord Chancellor and effective in practice. That includes the power of advice and influence, which needs professional expertise. A system that has taken 1,000 years to build is now, it is said, to be sacked in two years. The hon. and learned Member for Redcar said that it was unacceptable that members of the Executive should be able to appoint the judiciary, but spoke in rather absolute terms that do not always reflect the subtlety of our constitutional process.

Many hon. Members spoke of the Government's proposal to create a supreme court, which is also the focus of our reasoned amendment. In creating such a court, the only outcomes that appear guaranteed are unnecessary upheaval and unwarranted cost. The Government's starting estimate is for £30 million of set-up costs, but we all know how good they are at building estimates. Furthermore, an estimated £8.8 million of annual running costs for the new court stands in marked contrast to current running costs of a little over £168,000 a year. My right hon. Friend the

Member for Wells mentioned how the situation is being exacerbated by proposals to increase court fees to litigants.

What do we stand to gain in return for that hefty investment? The Appellate Committee of the House of Lords is admired at home and abroad for the quality of its rulings, as hon. Members have said. The work of the Law Lords would not change in a new supreme court, as was pointed out by my hon. Friend the Member for Aldridge-Brownhills and my right hon. Friend the Member for Suffolk, Coastal. How would rehousing the Law Lords add anything to the excellence for which they are so rightly renowned? There may be some practical difficulties with the present arrangements, but why not explore further the suggestions made in another place for improving the facilities available to the Appellate Committee at Westminster?

The Government seem to think that the public are in total confusion over the role of the Appellate Committee and, worse still, they question the Committee's independence. I concede that a Lord of Appeal in Ordinary may not be a household name, but the role of the Law Lords as final arbiters of British justice is widely recognised in this country. We think that the public see clearly how well the country's highest court works and see no need to change it. A change of name would not produce some sudden breakthrough in public understanding. If anything, new questions would be thrown up. If a shiny new supreme court would prove so independent of Parliament, why would Parliament continue to be supreme over it?

The hon. Member for Perth (Annabelle Ewing) and the Scottish National party seem to be jumping on the bandwagon and want to use the proposals as an opportunity for the repatriation of jurisdiction to Scottish courts. As to the public's opinion, how would the court command more respect by moving from the nation's seat of power to less prestigious surroundings? The Law Lords might instead be perceived as ensconced in some ivory tower, delivering judgments detached from the real decision making in Parliament.

The hon. and learned Member for Dudley, North (Ross Cranston) made a serious and measured speech on access to justice, but his comparison with Zimbabwe reinforced our contention that what we have in this country works pretty well. Separation of powers does not require the Law Lords to be evicted from Parliament, just as the Government are not proposing that the Executive need to be prised from the legislature.

In noting the disagreement between the right hon. Member for Berwick-upon-Tweed and Lord Bingham, I add that the functions of the Appellate Committee would not change with a new building, nor would the impartiality with which the Law Lords undertake their work. The Government's arguments on the point seem theoretical at best and, at worst, represent a failure to recognise the overall constitutional balance that works in this country.

The integrity and independence of the Appellate Committee are not in question. As many hon. Members have attested, the scrupulous conduct of the Law Lords in another place already bears witness to their independence. Even the introduction of the Human Rights Act 1998 has not challenged that legitimacy. As my right hon. and learned Friend the Member for Sleaford and North Hykeham and others have noted, removing the Lords of Appeal in Ordinary from Parliament would only impoverish the quality of debates and legislation arising in the other place. The Law Lords would likewise stand to lose something: the benefit of their proximity to the heart of government. In short, our present arrangements are effective and respected. The Government's demand for a supreme court risks damaging that position, at significant financial cost and for few if any tangible benefits.

As my right hon. Friend the Member for Suffolk, Coastal warned, showing his experience of government and, incidentally, of a happy marriage, this is a Government of words, not action. He showed how we have not been given details of how the plans will work, while we know that what we have works now. He powerfully called for a return to courtesy being shown towards this place.

We must resist any further attempts by this Government to modernise purely for the sake of ticking another box in Labour's modernisation agenda. Enough parliamentary time has already been spent on measures that are not a priority for the British public. Like us, they will not understand why millions of pounds should be spent needlessly on a supreme court given that the Law Lords have proved so adept at their work. Similarly, they will not comprehend a Government who seek to abolish in the Lord Chancellor a Minister who for hundreds of years has helped to ensure that the rule of law is respected by the Executive. The Government are forcing through their constitutional hobby-horses with inadequate justification.

In those circumstances and for the reasons that I have set out, I ask the House to vote against the Second Reading of this Bill and in favour of the reasoned amendment tabled by my hon. Friends and me.

9.48 pm

The Parliamentary Under-Secretary of State for Constitutional Affairs (Mr. David Lammy): Throughout today's debate, Opposition Members have repeatedly expressed their dissatisfaction with the terms of the programme motion before the House. I inform the House that it is the Government's intention to move the programme motion this evening, but following discussions between the usual channels, it has been decided that a supplementary motion will be tabled. An additional day on the Floor of the House will be provided for and I am sure that the usual channels will continue to discuss how best to divide consideration in Committee and on Report and Third Reading. There are principled disagreements between the Government and the Opposition on this issue and we still believe that the terms of the programme motion before the House are correct, but we hope that the compromise in response to the issues that have been raised is satisfactory.

Mr. Grieve: I welcome the fact that there is to be a further day of debate on the Floor, but I shall still vote against the programme motion, because until we have a proper programme motion, we have only the one on the Table.

Mr. Lammy: Today's debate has been characterised by the spectre of the Opposition trying to find their feet—at least on finances—and falling over themselves in the process. The reasoned amendment is one of enervating insularity. They would deny the people of this country a supreme court that is absolutely free of the taint of political process—and for what? For nothing more than grubby opportunism. Today, we have heard the dinosaurs and continued to watch the process of their extinction with interest.

The hon. Member for Beaconsfield (Mr. Grieve) sums up the position nicely and in so doing demonstrates that he and his party have become the Alf Garnett of British politics. It would be amusing if they were not so deadly serious. Theirs is the same patrician view that voted against devolution in Scotland and Wales, the Human Rights Act 1998 and the Freedom of Information Act 2000. Every time the Government attempt to reconnect our public institutions with the people they serve, the Opposition oppose us.

Mr. Grieve: I assume, therefore, that the attack on trial by jury and the decision to oust the right of asylum seekers to seek redress in the courts were examples of the hon. Gentleman's demotic tendencies.

Mr. Lammy: We are debating the Constitutional Reform Bill. Happily, other hon. Members have been more resolute in their values and contributions today. My hon. and learned Friend the Member for Dudley, North (Ross Cranston) offered a concise and considered endorsement of the rule of law and the proposals as framed. The hon. Member for Somerton and Frome (Mr. Heath) voiced the Liberal Democrats' support for the Bill and disagreed with the official Opposition's suggestions regarding the enormity of the consequences. We heard outstanding contributions from my hon. and learned Friend the Member for Redcar (Vera Baird), not only in her main speech, but in her interventions. We also heard a powerful speech—albeit one with which I disagreed—from the right hon. Member for Wells (Mr. Heathcoat-Amory)—and a thoughtful one from my hon. Friend the Member for Stafford (Mr. Kidney).

The Bill is not constitutionally disastrous, as the hon. Member for Beaconsfield suggested, nor is it about change for change's sake amounting to a white elephant. It is about the relationship between people and the institutions that govern them, which is critical to a liberal democracy, as he knows. Yes, of course we should take pride in our constitutional heritage as the right hon. Member for Suffolk, Coastal (Mr. Gummer) and the hon. Member for South Staffordshire (Sir Patrick Cormack) suggested. Our institutions are respected and renowned throughout the world, but a strong reputation should not prevent us from looking at how those arrangements are working in the 21st century. We must be informed by our history, not dazzled or paralysed by it.

The hon. Member for Beaconsfield said that a body that exercises the same functions as the House of Lords is a waste of money. He knows that that argument is based on a false premise. The Government are not saying that the new supreme court would exercise different functions from the Appellate Committee of the House of Lords; we are saying that, at the turn of the 21st century, the time has come to ensure that the highest appeal court is separate from the legislature. As my hon. and learned Friend the Member for Dudley, North said, quoting Lord Bingham, that separation is a badge of judicial independence.

The time has come. It is unacceptable in the 21st century for the judges who are charged with deciding whether the detention of 12 suspected terrorists in Belmarsh is lawful also to sit in Parliament. It is unacceptable that judges sitting in the Lords must decide whether a Bill passed by the very House of which they are Members is compatible with the Human Rights Act 1998. It is unacceptable in the 21st century for us to tell emerging democracies that it is fundamental that they have a separation of powers but not to have the same ourselves.

The right hon. Member for Suffolk, Coastal said that that the judiciary is not biased. Of course, Members of Parliament know that there is no political bias in the decisions reached by the judges, but that is not enough. Our commitment to judicial independence must be public and demonstrably clear. Our new supreme court will deliver that. The hon. Member for Beaconsfield was one of a number of Opposition Members who raised the issue of costs. The cost of locating the court at Middlesex Guildhall, as hon. Members will be aware following discussion, is £30 million. That cost is effectively for the refurbishment of the existing building, and I am pleased that my hon. and learned Friend the Member for Dudley, North and the hon. Member for Somerton and Frome supported the Government by saying that the building is desirable. In Lord Bingham's words, the cost reflects

"the importance which a liberal society attaches to the rule of law."

Mr. Garnier: In his speech, the Under-Secretary of State for Constitutional Affairs, the hon. Member for Shipley (Mr. Leslie), had to admit that rooms to replace the eight or nine Crown court rooms in the Guildhall must be found elsewhere in London. Where is that building to be found, when will it be completed and what will it cost?

Mr. Lammy: We are still consulting on that, as the hon. and learned Gentleman knows as a court recorder.

The hon. Member for Beaconsfield said that the establishment of a supreme court would deny Parliament the experience and expertise that the Law Lords bring to debates and legislation. It is axiomatic that, in any policy to separate the supreme court from the House of Lords, the supreme court judges should cease to have a direct role in the work of the House. Law Lords are judges, not legislators, and are specifically appointed to act as the UK's supreme court. Half the Law Lords are reported to be uncomfortable with the present arrangements. Some of them observe a self-denying ordinance and do not participate in debates on political matters on which they may have to adjudicate. It is clearly time to sort out that confusing situation.

It specious to suggest that the House of Lords will lose expertise. Retired Law Lords can remain in the House and contribute if they wish. There has been discussion about the location of the new court, as I said. Lord Millett said:

"The fact is that this House can no longer provide the accommodation, resources and facilities which a properly serviced Supreme Court requires".—[*Official Report, House of Lords*, 12 November 2004; Vol. 425, c. 1293.]

There are certainly compelling grounds to change that arrangement.

The hon. Member for Perth (Annabelle Ewing) raised the failure of the supreme court to repatriate final appellate jurisdiction of civil cases to Scotland. That is not the case. The Scottish Executive and the Scottish Law Society were consulted and favour our proposals. There is not a break with the treaty of Union. There has been considerable agreement today that the office of Lord Chancellor should be reformed to meet the demands of modern and complex government. The hon. Member for Huntingdon (Mr. Djanogly) said that we have been defeated on this issue. However, it is not about the title but the responsibilities of that office. The relationship between the citizen and the state is too important to be left unchecked, unreformed and out of touch. Following a long period of political stagnation until 1997, the legislation is important, and I commend it to the House.

Question put, That the amendment be made:—

The House divided: Ayes 126, Noes 329.

Division No. 33] **[9.59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Bacon, Richard
Barker, Gregory
Bellingham, Henry
Bercow, John
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brazier, Julian
Burns, Simon
Burt, Alistair
Butterfill, Sir John
Cameron, David
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Ewing, Annabelle
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hayes, John *(S Holland)*
Heald, Oliver
Heathcoat-Amory, rh David
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
McLoughlin, Patrick
Malins, Humfrey
Mates, rh Michael
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
Page, Richard
Paice, James
Paterson, Owen
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Spring, Richard
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Thomas, Simon *(Ceredigion)*
Tredinnick, David
Tyrie, Andrew
Viggers, Peter
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Ayes:
Mr. Crispin Blunt and
Mr. David Ruffley

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Beith, rh A. J.
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Breed, Colin
Brennan, Kevin
Brooke, Mrs Annette L.
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burstow, Paul
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Corbyn, Jeremy
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*

Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Doughty, Sue
Dowd, Jim *(Lewisham W)*
Dunwoody, Mrs Gwyneth
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Gapes, Mike *(Ilford S)*
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hancock, Mike
Hanson, David
Harman, rh Ms Harriet
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harris, Tom *(Glasgow Cathcart)*
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, rh Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hutton, rh John
Iddon, Dr. Brian
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Kirkwood, Sir Archy
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, David
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Michael, rh Alun
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Palmer, Dr. Nick
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Sanders, Adrian
Savidge, Malcolm
Sedgemore, Brian
Sheridan, Jim
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Roger *(Brecon)*
Willis, Phil
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Gillian Merron and
Mr. John Heppell

Question accordingly negatived.

Main Question put forthwith, pursuant to Standing Order No. 62 (Amendment on second or third reading), and agreed to.

Bill accordingly read a Second time.

CONSTITUTIONAL REFORM BILL *[LORDS]* (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(6) (Programme motions),

That the following provisions shall apply to the Constitutional Reform Bill [*Lords*]:

Committal

1. The following shall be committed to a Committee of the whole House—

(a) Clauses 1 to 7, 20, 21, 37, 94, 95 and 105 to 109;

(b) Schedule 8;

(c) any new Clauses amending section 12 of the Justice (Northern Ireland) Act 2002;

(d) any new Clauses relating to matters connected with the Supreme Court of the United Kingdom as reserved or excepted matters under the Northern Ireland Act 1998.

2. The remainder of the Bill shall be committed to a Standing Committee.

Proceedings in Committee

3. (1) Proceedings in Committee of the whole House shall be completed in two days.

(2) Those proceedings shall be taken on each of those days as shown in the following table and shall be taken in the order shown there.

(3) Proceedings on each of those days shall (as far as not previously concluded) be brought to a conclusion at the time specified in the second column of the Table.

(4) Standing Order No. 83B (Programming committees) shall not apply to proceedings in Committee of the whole House.

TABLE

Proceedings	*Time for conclusion of proceedings*
First day	
Clauses 1, 4, 6 and 7	Three hours after the commencement of proceedings on the Bill
Clause 5, any new Clauses amending section 12 of the Justice (Northern Ireland) Act 2002, Clauses 2 and 3	The moment of interruption or three hours after the commencement of proceedings on Clause 5, whichever is the later
Second day	
Clauses 20 and 21, any new Clauses relating to matters connected with the Supreme Court of the United Kingdom as reserved or excepted matters under the Northern Ireland Act 1998, Clause 37, Schedule 8, Clause 109	Three hours after the commencement of proceedings on the Bill
Clauses 105 to 108, 94 and 95	The moment of interruption or three hours after the commencement of proceedings on Clause 105, whichever is the later

4. (1) Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 24th February 2005.

(2) The Standing Committee shall have leave to sit twice on the first day on which it meets.

5. When the provisions of the Bill considered, respectively, by the Committee of the whole House and by the Standing Committee have been reported to the House, the Bill shall be proceeded with as if it had been reported as a whole to the House from the Standing Committee.

Consideration and Third Reading

6. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

7. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

8. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

9. Any other proceedings on the Bill (including any proceedings on consideration of any Message from the Lords) may be programmed.—*Mr. Watson.]*

The House divided: Ayes 297, Noes 161.

Division No. 34] **[10.15 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, Janet *(Rossendale & Darwen)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Battle, rh John
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blackman, Liz
Blears, Ms Hazel
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Byrne, Liam *(B'ham Hodge H)*
Caborn, rh Richard
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Casale, Roger
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clarke, rh Charles *(Norwich S)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Corbyn, Jeremy
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Eagle, Angela *(Wallasey)*
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Foster, rh Derek
Foster, Michael *(Worcester)*
Gapes, Mike *(Ilford S)*
Gerrard, Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hanson, David
Harman, rh Ms Harriet
Harris, Tom *(Glasgow Cathcart)*
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, rh Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hutton, rh John

Iddon, Dr. Brian
Jackson, Glenda *(Hampstead & Highgate)*
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Lynne *(Selly Oak)*
Jones, Martyn *(Clwyd S)*
Jowell, rh Tessa
Joyce, Eric *(Falkirk W)*
Keeble, Ms Sally
Keen, Alan *(Feltham)*
Keen, Ann *(Brentford)*
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Khabra, Piara S.
Kidney, David
Kilfoyle, Peter
King, Andy *(Rugby)*
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lepper, David
Leslie, Christopher
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
Lyons, John *(Strathkelvin)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McCartney, rh Ian
McDonagh, Siobhain
MacDonald, Calum
McDonnell, John
MacDougall, John
McFall, rh John
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Tony
MacShane, Denis
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Michael, rh Alun
Milburn, rh Alan
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moonie, Dr. Lewis
Moran, Margaret
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Naysmith, Dr. Doug
O'Brien, Bill *(Normanton)*
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Palmer, Dr. Nick
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pound, Stephen
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Prescott, rh John
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salter, Martin
Savidge, Malcolm
Sedgemore, Brian
Sheridan, Jim
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Tami, Mark *(Alyn)*
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Dr. Richard *(Wyre F)*
Thomas, Gareth *(Clwyd W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Turner, Dr. Desmond *(Brighton Kemptown)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Winnick, David
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woolas, Phil
Worthington, Tony
Wray, James *(Glasgow Baillieston)*
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wyatt, Derek

Tellers for the Ayes:
Gillian Merron and
Mr. John Heppell

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Bacon, Richard
Barker, Gregory
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brazier, Julian
Breed, Colin
Brooke, Mrs Annette L.
Burns, Simon
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cameron, David
Campbell, rh Sir Menzies *(NE Fife)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Curry, rh David
Davies, rh Denzil *(Llanelli)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dorrell, rh Stephen
Doughty, Sue
Duncan, Alan *(Rutland)*
Duncan Smith, rh Iain
Evans, Nigel
Ewing, Annabelle
Fallon, Michael
Field, Mark *(Cities of London & Westminster)*
Flook, Adrian
Forth, rh Eric
Fox, Dr. Liam
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Goodman, Paul
Gray, James *(N Wilts)*
Grayling, Chris
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harvey, Nick
Hayes, John *(S Holland)*
Heald, Oliver
Heath, David
Heathcoat-Amory, rh David
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lamb, Norman
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
McLoughlin, Patrick
Malins, Humfrey
Mates, rh Michael
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
O'Brien, Stephen *(Eddisbury)*
Page, Richard
Paice, James
Paterson, Owen
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Rendel, David
Robathan, Andrew

Robertson, Angus *(Moray)*
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Russell, Bob *(Colchester)*
Sanders, Adrian
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Spelman, Mrs Caroline
Spink, Bob *(Castle Point)*
Spring, Richard
Steen, Anthony
Streeter, Gary
Stunell, Andrew
Swayne, Desmond
Syms, Robert
Tapsell, Sir Peter
Taylor, Ian *(Esher)*
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Sir Teddy
Teather, Sarah
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Tredinnick, David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Viggers, Peter
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Willis, Phil
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. David Ruffley and
Mr. Crispin Blunt

Question accordingly agreed to.

CONSTITUTIONAL REFORM BILL *[LORDS] [MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Constitutional Reform Bill *[Lords]*, it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) any expenses of a Minister of the Crown in connection with the Act;

(b) any increase attributable to the Act in sums payable out of money provided by Parliament under any other enactment;

(2) the payment out of the Consolidated Fund of—

(a) salaries of judges of the Supreme Court of the United Kingdom;

(b) any increase attributable to the Act in sums payable out of that Fund under any other enactment.—*[Mr. Watson.]*

Question agreed to.

CONSTITUTIONAL REFORM BILL *[LORDS] [WAYS AND MEANS]*

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with Bills),

That, for the purposes of any Act resulting from the Constitutional Reform Bill *[Lords]*, it is expedient to authorise the levying of fees prescribed under the Act in respect of anything dealt with by the Supreme Court of the United Kingdom.—*[Mr. Watson.]*

Question agreed to.

EUROPEAN COMMUNITY DOCUMENT

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees),

HUMANE TRAPPING STANDARDS

That this House takes note of European Union Document No.12200/04, draft Directive on introducing humane trapping standards for certain animal species; and supports the Government's view that the humane trapping standards should be implemented and adopted in the United Kingdom.—*[Mr. Watson.]*

Question agreed to.

Violent Video Games

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

10.27 pm

Keith Vaz (Leicester, East) (Lab): I am grateful for the opportunity to raise in the House the important issue of controlling the sale of violent video games. I am delighted that my right hon. Friend the Minister for the Arts is on the Front Bench.

Hon. Members may recall that I raised at Prime Minister's questions on 15 September 2004 the case of Stefan Pakeerah, a 14-year-old Leicester schoolboy who was brutally murdered. Stefan's parents believe that the perpetrator of that savage attack was influenced by the video game "Manhunt". Stefan's mother, Giselle Pakeerah, has been campaigning to ban the sale of the PlayStation2 game. Stefan's father, Patrick Pakeerah, said:

"The game was like an instruction manual".

Seventeen-year-old Warren Le Blanc pleaded guilty to Stefan's murder and will serve at least 13 years in prison before being considered for release.

Since the tragic attack, I have been sharing the concerns of the Pakeerah family and have received a growing number of letters from concerned parents on the issue. I am grateful for the support of my right hon. Friend the Secretary of State for Trade and Industry, my right hon. Friend the Member for Dewsbury (Ann Taylor) and other parliamentary colleagues.

The intense worry about video and computer games is based on the belief that the violent games are totally inappropriate for all children. Video games have come a long way since the creation of Pong in the early 1970s. Nowadays, there are thousands of games to choose from, and the technology becomes more and more sophisticated every day. In a little more than two years, video game consoles have gone from processing 350,000 polygons per second—a measure of graphic and action quality—to 125 million polygons per second. The increasingly realistic and exciting nature of electronic games has helped to make them immensely popular with children and youths. According to David Walsh, a researcher with the National Institute on Media and the Family, 79 per cent. of American children now play computer or video games on a regular basis. Children between the ages of seven and 17 play for an average of eight hours a week. I am the father of two children—Luke, aged nine, and Anjali, aged seven. They, too, play these games.

For the video games industry, 2004 was one of the most successful gaming years ever. Sales totalled £1.34 billion in the UK last year, a rise of 6.6 per cent. on 2003, according to the European Leisure Software Publishers Association. The game most anticipated for 2004 was "Grand Theft Auto: San Andreas", and it has sold an astonishing 1.75 million copies since its release at the end of October 2004. Without a doubt, we are in the midst of a gaming explosion. According to Deloitte and Touche, the worldwide number of game-compliant devices other than personal computers—mobile phones, consoles and hand-held computers, for example—will see a sixfold rise by 2010, from 415 million now to 2.6 billion.

Most of the games on the market are appropriate for young players, and the best of them can bring a lot of benefits. Besides being fun, some of the games provide practice in problem solving and logic, as well as in strategising. However, the few games that feature violence, gore and antisocial behaviour have raised concerns. The virtual reality aspect of games has entered a new phase of reviving history by replaying it. The recent launch of JFK Reloaded, which allows players to simulate the shooting of former American President John F. Kennedy, can be easily downloaded from the internet without any control measures, and be played by children younger than the recommended age limit. This disgusting game, with its appalling content, should not be allowed on the market.

The case of Stefan Pakeerah shocked the city of Leicester. Warren Le Blanc lured Stefan from Glenfield into the woodlands near his home at Stokes Wood Park, New Parks, Leicester, then chillingly inflicted more than 50 injuries with a claw hammer and a kitchen knife. He initially intended robbing Stefan of drugs and cash to raise money to pay off a debt. Mrs. Pakeerah, a senior nurse, remembers her only son as an intelligent, handsome, courteous and amazingly popular young man with an excellent sense of humour and a real zest for life. More than 350 people attended Stefan's funeral, and there are more than 1,200 entries on a memorial website set up in memory of Stefan by one of his friends. It is obvious that Stefan was loved by many people and held in very high regard. Passing sentence, Judge Michael Stokes QC said to Le Blanc:

"You've committed a truly appalling crime and have taken the life of a 14-year-old boy in the most brutal fashion. You and you alone carried out a prolonged murderous vicious attack with weapons upon someone who thought you were a friend."

Stefan's parents believe that their son's killer mimicked a game called Manhunt, in which players score points for brutal killings. The game has been banned in Australia and New Zealand. New Zealand's chief censor, Bill Hastings, has cited the game as the most violent ever made. I pay tribute to Mrs. Pakeerah, a brave and courageous mother, who in her grief could easily have let matters pass, but who has started an impressive campaign on this issue. She will not give up until something is done.

Violence is a recurring theme in the media, and the two combined have often been linked with aggressive behaviour in young people. The current trend in video games is for the players to be the bad guys, acting out criminal fantasies and earning points for attacking and killing innocent bystanders. Although the games are rated 18 for adult audiences, it is common knowledge that they are popular among young people. Nine out of 10 children have a computer or games console. A quarter play video games every day.

Tim Loughton (East Worthing and Shoreham) (Con): I well remember the ghastly case that the hon. Gentleman raises well, and it was a clear example of virtual reality spilling out into violent real life. Does he agree that there are two main problems? The first is the apparent reluctance of the British Board of Film Classification, which has been responsible for such games since 1984, to act to ban them or give them a serious classification unless there is clear evidence of a link, which it is difficult to prove scientifically. The

second is that too many of the games that are rated as being for adults only are sold to under-age children through high street retailers who do not realise—as they do when it comes to selling cigarettes or alcohol to young people—the damage that such games can do. Parents do not know what they are letting their children get into.

Keith Vaz: I thank the hon. Gentleman for that intervention. He is right and I agree with everything that he said. I hope later in my speech to point out what can be done.

Most games are harmless entertainment, but in many amazingly lifelike popular titles, children are acting out violent experiences on their screens. According to the Video Standards Council, 97 per cent. of all games are suitable for everyone. The few that qualify for careful scrutiny contain the following material. Players in "Grand Theft Auto 3" earn points by carjacking and stealing drugs from street people and pushers. In "Carmageddon", players are rewarded for mowing down pedestrians—sounds of cracking bones add to the realistic effect. The first-person shooter in "Duke Nukem" hones his skills by using pornographic posters of women for target practice, and earns bonus points for shooting naked and bound prostitutes and strippers who beg, "Kill me." In the game "Postal", players act out the part of the postal dude, who earns points by randomly shooting everyone who appears, including people walking out of church and members of a high school band. Postal dude is programmed to say, "Only my gun understands me."

Unlike films and television, which are passively watched, the game lets the player feel the sensation of committing violent acts. Those playing the game are in the game, but there is no pain or aftermath, so children never learn the real-life consequences. The main concern is that children, unlike adults—and rightly so—have a problem in separating fantasy from reality. When young children play those violent video games, they are becoming more and more vulnerable to those violent messages.

Following a public outcry, I convened a meeting with a few parliamentarians and the members of the video games industry to highlight the ambiguities in the current system. Towards the end of last year, in a meeting with my right hon. Friend the Prime Minister at the House, Mrs. Pakeerah and I urged him to tackle the menace of violent video games by examining the existing law governing the classification of video games—in particular, their labelling—and requesting the governing board to take a more cautious approach. My right hon. Friend made it clear at the meeting that he was looking at ways to strengthen legislation in the area to protect children. He listened with great care and attention to Mrs. Pakeerah and I am most grateful to him for his real concern about the issue.

I wish to make it clear that the campaign is not about stopping adults doing anything: it is about protecting our children. Following the firm commitment by my right hon. Friend the Prime Minister to protect children and to review the law governing video games, I value the opportunity to debate the issue in this House.

Over the years, there have been more than 3,000 research studies into the effects of screen violence, encompassing film, television, video and, more recently, computer and video games. However, little research has been carried out on interactive entertainment as it was originally perceived as a harmless and enjoyable pastime. Nevertheless, with the ever-increasing interest and participation of young children in that activity, much concern has been expressed about the effects of such games on them. At the centre of the debate is the question of whether they are detrimental to a young person's healthy development. There are specific concerns about the implications for aggression, addiction, criminal activity and reduced academic achievement.

I understand that the Department for Culture, Media and Sport is commissioning a review of existing research to determine whether there is a link between playing violent video games and real-world behaviour. The last such Government study was carried out by the Home Office in 2001, and the results were inconclusive. Research into the effects of long-term exposure to computer games on subsequent behaviour is noticeably lacking and at present remains speculative. Studies to examine the effects of computer games on children's aggressive behaviour and self-esteem only involve measurement of the possible short-term aggressive consequences, so I urge my right hon. Friend the Minister to fill that question vacuum and commission new research into the long-term effects of playing such interactive games.

Last week, accompanied by Mrs. Pakeerah, I visited the third largest interactive publisher in the UK, Activision based in Slough, to see how publishers classify video games. Activision is a leading international publisher of video games, with 6 per cent. of the market share; its European headquarters is in the United Kingdom. Its profits for last year are estimated at just over £100 million. Some of its games include "Doom 3", "X-Men" and "Spider-Man". From my visit, I learned that violence in over-18 video games is a staple of the video game industry. It takes between 20 and 60 people to develop an idea for a game and between 12 and 18 months to create it. The entire investment period can take up to three years. During that time, the board responsible for classifying the video game is called in to give expertise about the rating to be given to the game and about its target audience.

At the early stages in the creation of the video, the publisher foresees, using guidelines set out by the video games classification board, which rating the game should receive. Once the creation of the game is complete, using the pan-European game information system, the ratings are carried out by members of the games industry using a self-assessment form. After examining a game, the in-house coder uses an existing set of answers and the game is rated automatically on that basis. An age is established for each content category, based on the answers on the assessment form.

The method may sound fair but in action, as I witnessed when I visited Activision, the game does not end up with the British Board of Film Classification until after it has been produced. Thus, using the Video Standards Council and PEGI guidelines, the publisher will resort to reviewing the game again if it has been rejected. I urge the British Board of Film Classification to take a much more cautious approach in reviewing those games, and also to provide publishers with much more stringent and unambiguous guidelines and

[Keith Vaz]

detailed feedback about why a video game has failed to qualify for a particular rating. With advances in the technology to create those games, it is only sensible that the guidelines for publishers be updated.

Ten years ago, the average game cost £200,000 to develop, whereas now the average budget is more than £1 million. The level of violence in the gaming habits of young people is disturbingly high, and 65 per cent. of the market is made up of boys aged between 13 and 16 years. On 1 November, the ITV programme "Tonight with Trevor McDonald" revealed from a nationwide survey of 223 children aged between 11 and 14 that computer games featuring drugs, sex and violence are being bought by boys as young as 12 in supermarkets and high street shops. More than two thirds of young people aged between 11 and 14 admitted that they had played games certified 18 plus. Boys aged 12 to 14 were seen in the programme buying adult games from Tesco, Virgin, Dixons, John Lewis, Sainsbury and Asda. The programme highlighted the problem that it is so easy for children to get hold of those games. Something needs to change.

Any shopkeeper who supplies a game in breach of the law can be sent to jail for six months, fined £5,000, or both. The law needs to be better enforced. To date, the retailers caught on the Trevor McDonald programme have not been prosecuted. According to the Video Standards Council, which also represents a large number of the UK retailers shown in the film, because the action was recorded for television, people should not be liable to prosecution. I therefore urge Minister to ask the Attorney-General to review that absurdity and prosecute those retailers for their actions, so that, in future, retailers can fully appreciate the consequence of selling adult-rating video games to children. We need to make an example of one to make the rest take this seriously.

Parents are becoming very concerned about the messages that their children are receiving while playing such games. Parents need to be made more aware that video games are much more difficult and more ingenious than ping-pong and that they contain such violent activity. An interesting approach was launched in Canada last year, ahead of the Christmas shopping period, entitled "Commitment to Parents". A voluntary code was provided whereby parents entered into a dialogue with the retailers, thus enabling progress to be made to the benefit of parents and young children.

Video and computer games will continue to be an exciting and growing part of children's media diets. As long as children have easy access to those games, policy debates will continue. There is much that is pernicious, banal and crude in popular culture. We must question what kind of society allows, if not encourages, youngsters to immerse themselves in such brutal fantasy games. Makers of the more violent games are pushing the outer limits of savagery and depravity, and current provisions have been widely criticised as ineffectual and confusing, so they need to be changed.

I urge the Minister to do a number of things, and I seek her commitment on them. More research is needed into the long-term effects of playing such interactive games and their effect on children. Better regulation is needed, with much more clear and stringent guidelines, including transparent responsibility between the BBFC, the Entertainment and Leisure Software Publishers Association and PEGI. The current voluntary arrangements are too cosy. A more instructive and uniform labelling system is needed for parents to comprehend. Parents need to be educated, so that they become more aware of the content of games. The law must be better enforced. Retailers must be made aware of their responsibilities and prosecuted when they break the law.

The tragic death of Stefan Pakeerah will be with his parents, family and friends for ever. I hope that this debate can shed light into the current ambiguities and prevent further callous attacks from happening again.

10.47 pm

The Minister for the Arts (Estelle Morris): I congratulate my hon. Friend the Member for Leicester, East (Keith Vaz) not only on securing this Adjournment debate but on the campaign that he has waged relentlessly on behalf of his constituents and, in doing so, on behalf of many parents and many citizens of this country. I acknowledge that the debate follows a meeting with the Prime Minister, questions asked in the House and, as he informed us today, a visit to the industry itself. I thank him for raising these difficult issues, which we ought to address.

I also acknowledge the intervention made by the hon. Member for East Worthing and Shoreham (Tim Loughton). The fact that he stayed for a short Adjournment debate shows his commitment, and I thank him for his interest. If he wishes, we will keep him informed of what we are able to do.

I wish to put the issue into a wider context. We are all struck by the fact that this fast-growing, fast-moving industry uses technology that was not around when we were children and parents must become involved in something that is more unfamiliar to them than it is to their children. There is a danger that regulation enforcement follows the trend. As regulation catches up with a new invention, another new invention comes along. I make no criticism of anyone, but bureaucracy and government, both locally and nationally, can be slow and cumbersome in trying to ensure that it catches up.

It is important to recognise that the games industry is a huge British success story. It earns money for us, and it earns us standing in the European and worldwide community. It is a good thing, and we are good at it. Most of the games, not those that have been mentioned this evening, add to the education, entertainment and cultural well-being of our nation—I would not want to suggest anything else—but, clearly, there is an issue with those that are violent or teach people how to commit crimes, and I would not want to pretend for a minute that such games do not exist.

There might be an element of repetition, but I want to go over where we are, what has happened since my hon. Friend met the Prime Minister and where we might go in the future.

The current position on classifying video games is important and it comes in two parts. First, under section 2 of the Video Recordings Act 1984, computer games are exempt from statutory classification unless they depict gross violence, human sexual activity or

techniques likely to be useful in the commission of offences. As my hon. Friend said, about 30 games—about 2 per cent.—are referred each year to the British Board of Film Classification and they can be given an age rating that can be over 18. I do not have a feel for whether that figure is an indication that an insufficient number of games are being referred and that the relationship is too cosy. I do not have the evidence to go on, but I take the point that it could become too cosy. I want to give more thought to whether the statistic of 30, or 2 per cent. a year, is what one might expect to be referred to the BBFC given the nature of the industry.

As my hon. Friend said, the United Kingdom has been involved in a pan-European system since 2003. It is a voluntary age-related classification system—the PEGI—that the Video Standards Council administers. As we know, these games cross national boundaries and we could find ourselves in the position in which an excellent UK classification and enforcement system went out of the window because games were being downloaded in the UK. As much cross-nation work as we can possibly do is important. That is why I welcome the Video Standards Council's administration of the PEGI system in the UK. As my hon. Friend, said it is an offence to sell video games to someone not of the age to buy them.

Since my hon. Friend met the Prime Minister and representatives of our Department in early December, we have done what we can to improve the system. First, we held a meeting with all the representatives of the trade association, and that was a direct consequence of the meeting that my hon. Friend had. It involved the trade associations for the computer games and video games industries, the BBFC, video games retailers, the Video Standards Council and local government enforcement agencies.

A number of things have emerged from that voluntary meeting. First, those at the meeting agreed that they would consider a new code of practice for retailers selling the games. That will be drawn up together with training and regulation of sales. That sounds good, and it is a voluntary code. That is where we are at the moment, and we need to see how it goes. It is important because the people selling the games will be personally liable for the consequences of any offence if they should be found guilty.

I take the point made by the hon. Member for East Worthing and Shoreham about parents understanding their responsibilities. Many parents who would not dream of letting their child see an X-rated film are less understanding of the need to monitor their child's behaviour and activity with video games. They did not play such games when they were children and they have to rush to catch up with what is happening. My hon. Friend will know that my right hon. Friend the Secretary of State for Trade and Industry, who shares Government responsibility with my Department for this issue, reminded parents of that before Christmas. Much more needs to be done, and the Government and the industry have to take responsibility to make sure that we inform more parents about what is happening.

Tim Loughton: Places such as Dixons—to cite just one—are seen as fairly child friendly. Will the Minister support the sort of sting operations that the police and trading standards use for the under-age selling of drink and tobacco? Should they not also be applied to the under-age selling of video games to make sure that the issue is taken seriously?

Estelle Morris: I would support that. It is an enforcement issue and I shall come to that shortly. However, I accept that there is an issue about priorities and resources, but I will come back to that point.

Some 85 per cent. of the games that the BBFC classifies carry an age warning. It and the Entertainment and Leisure Software Publishers Association are now working to make sure that all games carry an age warning and hope to have that in place by the middle of this year. We are also discussing with the industry the possibility of voluntarily increasing the size of the symbol that indicates the age under which children should not purchase the games so that it is more obvious to parents as well as to young people. If the voluntary agreement is not forthcoming, it will be open to us to examine the regulations because the size of the symbol is set out in regulations. We would not need primary legislation because the regulations could be changed if necessary.

The hon. Member for East Worthing and Shoreham made an important point about enforcement. We have met the Local Government Association and the Trading Standards Institute to ensure that they consider enforcement. It is the easiest thing in the world to have legislation, but unless trading standards people treat the matter as a priority, nothing will change. Trading standards enforcement agencies have probably not caught up with the extent of the new crime of online piracy, so that will need to form part of our ongoing negotiations.

Research is important, but it is not easy to separate the effect of a game on children from the influence of many other aspects of society, such as what they read, what they watch at the cinema and what they see on the street. My hon. Friend the Member for Leicester, East will know that, following his meeting with the Prime Minister, we have commissioned independent research from the university of Stirling. We think that that will be with us by February and we will let him know when we receive it. All the research that has been done so far has been inconclusive, but we will work to find out what we can do.

My hon. Friend did not mention the online downloading of games, which is a matter for my colleagues in the Department of Trade and Industry. I assure him that the Government will address that issue.

I conclude by saying that an industry that is as successful and growing as this country's video games industry—we have every right to be justifiably proud of it—has just as much of an obligation as the House and the Government to do what it can to ensure that our children are protected without fettering the freedom of adults. I thank my hon. Friend for bringing the matter to the attention of the House.

Question put and agreed to.

Adjourned accordingly at four minutes to Eleven o'clock.

House of Commons

Tuesday 18 January 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

CONTINGENCIES FUND 2003–2004

Ordered,

That there be laid before this House Accounts of the Contingencies Fund, 2003–2004, showing—

(1) the receipts and payments in connection with the Fund in the year ended 31st March 2004,

(2) the Distribution of the capital of the Fund at the commencement and close of the year; together with the Report of the Comptroller and Auditor General thereon.—*[Joan Ryan.]*

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Dentistry

1. **Mr. Anthony D. Wright** (Great Yarmouth) (Lab): What steps are being taken to increase the number of dentists in areas of deprivation. [208901]

The Minister of State, Department of Health (Ms Rosie Winterton): We are radically reforming national health service dentistry, with £368 million of extra investment from April. We have also allocated another £59 million to help primary care trusts with the most severe access problems and we are recruiting the equivalent of 1,000 additional dentists by October 2005.

Mr. Wright: I thank my hon. Friend for that response. The closure of one of the dental schools under the previous Administration created this long-term problem. However, we have a positive message to send from my Great Yarmouth constituency, where one of the dentists, John G. Plummer, has recruited 14 new dentists, but is still awaiting approval from the Department of Health for the issue of a new contract under the personal dental services system. Can my hon. Friend tell us when we may expect a favourable reply on that submission?

Ms Winterton: I absolutely agree with my hon. Friend: it was in fact the closure of two dental schools that led to some of the shortages in dentistry, and that is why we announced earlier this year that we would be training another 170 dentists a year from April next year.

On my hon. Friend's point about his constituency, I understand from discussions with him that the application has been approved in principle and that some final details are awaited. I hope those will follow before the end of the week. I am pleased that dentists in his constituency are showing enthusiasm for the new system, which is of course backed up by about £74,000 allocated from central Government to assist in dealing with access problems, which means that about another 22,000 patient registrations will become available in his constituency.

Sir Paul Beresford (Mole Valley) (Con): It is fairly well known that I have an interest in this matter. I assume that the Minister agrees with many of us on both sides of the House that the best improvement for dental health in deprived areas would be fluoridation. Given that assumption, can she tell me, at the second time of asking, when the long-awaited appropriate regulations will land on the desk of the House?

Ms Winterton: I certainly agree with the hon. Gentleman about the benefits of fluoridation. The regulations are in draft and they will be published soon.

Ms Joan Walley (Stoke-on-Trent, North) (Lab): The real way forward for improving the amount of dentistry in areas of deprivation is to have more training places for dentists. Will my hon. Friend note that consultation on a new dental school in Coventry and Stoke-on-Trent has just finished? Will she give me an assurance that she will look carefully at representations from north Staffordshire and give some indication that there will be ministerial approval for a school of dentistry, as a satellite in Stoke-on-Trent?

Ms Winterton: I agree that where undergraduates train is important, as they often congregate in their own area. Through a working group with the Department for Education and Skills, chaired by the chief dental officer, we have been looking at how we can expand the number of places. Building completely new dental schools is not necessarily the answer because of timing, but we are considering satellite schools from existing dentistry schools so that where there are access problems we can work with the existing schools to ensure that there is proper training and people can stay in the area once they have graduated.

Sir Peter Tapsell (Louth and Horncastle) (Con): Is the hon. Lady aware that although the Louth and Horncastle constituency is not an area of deprivation, it is seriously deprived of dentists? There is not a single NHS dentist in my constituency who is prepared to accept a new patient on his list, and as many elderly people constantly move into my constituency to retire that is creating a real crisis.

Ms Winterton: I am aware of the problems that the hon. Gentleman has outlined. Indeed, I visited the area a few months ago. We are asking each PCT, through the strategic health authority, to produce plans to increase the provision of NHS dentistry. As I said, we have backed that up with £59 million of investment to tackle severe access problems. I know that plans are being drawn up in his area and that international recruitment

is also being considered to ease some of the problems. I suggest that the hon. Gentleman contact his PCT to ask for the plans and to ask about the additional resources that it will have been allocated to deal with the current access problems.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): Further to that reply, is my hon. Friend aware of the exciting and innovative plans that Blackpool PCT has recently announced to recruit more dentists? What advice and support can she give the PCT to ensure that those plans come to fruition?

Ms Winterton: I am certainly aware of the plans proposed by Blackpool PCT. We have already allocated £192,000 to the PCT in my hon. Friend's constituency to ease the problems there. The PCT is considering not only bursary schemes for new students, but making funding available to dentists to expand their premises, for example, or to buy new equipment. It has set up a very good helpline locally to ensure that people have proper information about what is available. Already, that has meant that 4,000 new registrations are available to local people. We will continue to do all that we can to assist her local PCT, and if we can give assistance in terms of international recruitment, we will certainly do so.

Mr. Andrew Lansley (South Cambridgeshire) (Con): When the Minister was replying to the hon. Member for Great Yarmouth (Mr. Wright), she neglected to tell him about the situation in Great Yarmouth—there are fewer dentists today than in 1997, 10 per cent. less of the adult population is registered with an NHS dentist, and if people who live in Great Yarmouth wish to register with an NHS dentist they must go to Lowestoft to do so. Will the hon. Lady simply tell the House whether, when the Prime Minister said in 1999 that within two years everyone would be able to see an NHS dentist, he meant that, five and a half years on, 39 per cent. of the British public would be registered with an NHS dentist? Dentistry is simply disappearing throughout the country, as we are hearing from hon. Members.

Ms Winterton: It is bit rich of the hon. Gentleman to wash his hands of responsibility. The Conservative party closed two dental schools and introduced the deeply unpopular contract in the 1990s that led to dentists walking away from the NHS. We are trying to reform the system of dentistry and we are backing that up with extra investment. I am very well aware of the problems that my hon. Friend's constituency has faced. That is exactly why we have taken the measures that we proposed and exactly why those involved are now looking to recruit 14 new dentists for his constituency.

We will take no lecture from the Opposition about NHS dentistry. We are trying to clear up the mess that they left behind, and we are making good progress in doing so. There is further to go, but we have made clear commitments through extra investment, local access plans and ensuring that there will be local commissioning of NHS dentistry in future.

Mr. Lansley: The hon. Lady and her friends will have to take a lecture from the British electorate before too long. On 7 December, on the last occasion that we were present for Health questions, she said that the general dental services contract was on course. Within a month, the Government had to abandon that, so it has been delayed further. She said that dentists were voting with their feet, but I do not think that she meant that, three hours after Ministers came to the House, the British Dental Association would walk out of negotiations on the contract with the Government.

It is fine for the Minister to talk about the contract in the last century, but what about the contract for the 21st century? When the BDA walked away, it said:

"This was a decision we never wished to make and it is a highly regrettable position to find ourselves in. We have been proactive in our discussions with the Department of Health but the traffic has almost been entirely one way. To continue would be to devalue NHS dentistry and to let down the dentists we represent."

Under this Government, NHS dentistry is devalued and dentists are let down—*[Interruption.]*

Mr. Speaker: Order. We are still on Question 1. I appeal for brief questions and brief answers.

Ms Winterton: We do not deny that problems remain with NHS dentistry, but we are taking radical steps to reform it and to introduce local commissioning. We have responded to the points made by the National Audit Office report and said that we will delay the implementation of the new contract until April 2006. That does not mean that dentists are not already moving over because some 3,500 have taken up the new contract. We have 500 applications in the pipeline and want to ensure that they are processed before we move to general commissioning. After our announcement last week, John Renshaw, the chair of the BDA, said:

"This is a sensible move by the Department of Health, which could provide breathing space to allow us to sit down again and resolve outstanding issues."

I do not think that that sounds like a vote of no confidence.

Mr. Peter Pike (Burnley) (Lab): My hon. Friend knows that Burnley is an area of deprivation. It also has a big shortage of NHS dentists and a record of poor dental health. She has visited east Lancashire and knows that its primary care trusts are working with the Government to try to address those problems. However, I am sure that she will be dismayed to hear that last week the Taylor dental practice on Colne road in Burnley decided to leave the NHS. Will she check with the PCT about why things are working in the opposite direction to what it and she are trying to achieve?

Ms Winterton: I will certainly check on that. When I visited my hon. Friend's area, it was obvious that the PCT had good plans that were backed up with extra resources. I think that some 40,000 extra registrations are planned throughout east Lancashire. I know that the plans are there, but I shall certainly examine his point about a specific dentist moving out of the NHS and find out whether we can do anything to rectify that situation.

Mr. Paul Burstow (Sutton and Cheam) (LD): The number of children registered with NHS dentists has fallen every year since the last general election. Today, little more than a half of children are registered with an NHS dentist—the number is lower still in some of the poorest areas. Does the Minister agree that given that the BDA walked out of the contract negotiations and that primary care trusts are not up to the job of delivering dental services, the Government's approach is not radical, as the Minister would like the House to believe, but ramshackle and it is not delivering good dental services? The approach is complacent, which is consequently doing harm to the nation's teeth.

Ms Winterton: The hon. Gentleman is quite wrong to say that local PCTs are not getting on with the job of moving people on to the new contract because they are already doing that. It does him no credit to decry local efforts that are backed up by extra funding. People are working extremely hard to draw up local plans, which are backed by funding. There are more dentists than ever before—and although there is a problem with some moving away from the NHS, we are undertaking reform so that funds and powers exist locally to ensure that there is proper NHS dentistry provision.

Chiropody Services

2. **Dame Marion Roe** (Broxbourne) (Con): What assessment he has made of the availability of chiropody services for senior citizens. [208902]

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): There are 3,807 chiropodists employed in the NHS, which is a 15.9 per cent. increase since 1997. It is for local primary care trusts to determine local priorities for access to chiropody.

Dame Marion Roe: I am grateful to the Minister for that reply, but will he give the House his estimate of the number of patients with foot problems who have been deemed to be low risk and thus discharged from NHS care and forced to look in the voluntary and private sectors to find the specialist chiropody services that they need? What plans does he have to draw up guidelines on the management and treatment of foot problems to lay down a patient's minimum entitlement to NHS care and remove the current postcode lottery of entitlement to foot care?

Dr. Ladyman: Once upon a time there was such guidance on who should have access to chiropody services, but it was scrapped in 1994 under the previous Government. We have simply moved to a situation in which local primary care trusts are responsible for ensuring that everyone in their areas has access to the foot care that they need. Most PCTs are concentrating specialist problems on specialist chiropodists and thus leaving other organisations, such as those in the voluntary sector, to deal with less specialist needs, but each PCT has the responsibility to ensure that everyone in its area has access to the appropriate foot care.

Miss Anne Begg (Aberdeen, South) (Lab): A number of senior citizens go to private chiropodists for their care. Has my hon. Friend assessed how many of those chiropodists will fail to register with the new Health Professions Council? One chiropodist in my constituency said that the process is very bureaucratic and expensive. My constituent would like to see automatic registration for anyone who has three years' experience. He thinks that the number of practising chiropodists will fall because they will no longer be able to practise under that title. That might cause a crisis and, obviously, difficulties for those who are receiving treatment under the NHS as well.

Dr. Ladyman: I understand the issue that my hon. Friend raises. These are matters, first, for the Health Professions Council. More importantly, they are negotiated closely with the professional bodies representing chiropodists and podiatrists. We try to meet their registration needs. Although individual chiropodists may have views about the democratic nature of the requirements for registration, I can assure my hon. Friend that the professional bodies that represent podiatrists are having their views closely adhered to by those who have to implement these arrangements.

Miss Julie Kirkbride (Bromsgrove) (Con): Can the Minister explain why over the years since Labour came to power fewer people have had access to NHS chiropody services?

Dr. Ladyman: I can certainly do that. The figures are roughly similar to the number of new starts in each year since we came to power. The total number of procedures carried out each year is roughly the same. There is a slight decrease, and that entirely reflects the fact that more specialist podiatrists are concentrating on specialist processes that take longer than the old, simple foot care procedures that are now being undertaken by people who are not specialists. That is good value for money. The assertions of Opposition Members that there is a massive removal of people from NHS podiatry services is simply not true. Like the Opposition's announcements yesterday from the shadow Chancellor of the Exchequer, their figures just do not add up.

Rob Marris (Wolverhampton, South-West) (Lab): Can my hon. Friend assure me that we have enough training places for chiropodists and podiatrists?

Dr. Ladyman: I can give my hon. Friend that assurance. Since 1997, there has been a 33 per cent. increase in the number of people training for this speciality.

Hospitals (Gloucestershire)

3. **Mr. Parmjit Dhanda** (Gloucester) (Lab): If he will make a statement on progress with hospital new build projects in Gloucestershire. [208903]

The Secretary of State for Health (Dr. John Reid): The new Gloucestershire Royal hospital became operational two months ago. A final phase of works of this £32 million investment is due for completion this year.

Mr. Dhanda: I thank my right hon. Friend for his response. He is aware that the new hospital is a £32 million redevelopment project and consists of 17,000 sq m, something that we are understandably proud of in Gloucester. It has enabled me to become the first local Member in Gloucester in a generation to preside over hospital ward openings rather than closures. Would my hon. Friend take up an invitation from me to see the hospital for himself? I think that it would be the right thing to do. It would pay testament to a Labour Government and their priorities if a Labour Secretary of State opened the new hospital. Will he consider coming to Gloucester to do that?

Dr. Reid: I would be delighted to visit once again my hon. Friend's constituency, as I did in June last year. Before I get any other requests, it will not be possible for me to open all the hospitals commissioned by the Government. There are not enough weeks in the year as we have now commissioned 132 new hospital projects—the biggest building programme ever in the history of the NHS. That is one of the reasons why we are slashing waiting lists and waiting times and providing better quality care than ever before. We have a long way to go, but my hon. Friend's constituency exhibits, I think, the transformation that is now taking place in the NHS.

Mr. Laurence Robertson (Tewkesbury) (Con): If the Secretary of State visits Gloucester Royal hospital, will he also visit Cheltenham hospital, which is facing the closure of the children's ward in terms of 24-hour clinical care? I do not rise to make a political point, but I think that it is worth mentioning that closure in view of the previous question. The primary care trust is pushing the transfer of the ward to Gloucester on a clinical basis, and recently there have been clinical questions raised about that transfer. I do not expect an immediate answer from the Secretary of State, but will he look into that matter? Will he satisfy himself that it would be in the wider interests of all the children in Gloucestershire for that move to take place, and will he endeavour to write to me about it?

Dr. Reid: May I make two general remarks to the hon. Gentleman? First, it would have been a little fairer if he had announced that, quite apart from any changes in his constituency, there is an unprecedented increase in the finance going into the national health service there. Secondly, on the decision and the proposed changes, the constant refrain, quite correctly, from the Opposition and their Front-Bench team is that we should stop micro-managing the NHS and let local people make local decisions—except when Conservative MPs do not agree with those decisions, when they ask us to intervene in every case.

I will take a look at this case, but my general predisposition is that, as far as possible, front-line staff should be allowed to get on with making those decisions in consultation with local people, which is why we now allocate 80 per cent. of the money going into the NHS to front-line staff. I should have thought that the hon. Gentleman and his colleagues, who are always asking for that, would support it when it is put into practice.

Alcohol Misuse

4. **Sandra Gidley** (Romsey) (LD): If he will make a statement on the Government's policies to tackle alcohol misuse. [208904]

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): On 15 March 2004, the Government published the alcohol harm reduction strategy for England. The Department of Health and the Home Office are the joint owners of that strategy. The White Paper, "Choosing Health", which was published on 16 November 2004, highlighted additional commitments that build on the strategy.

Sandra Gidley (Romsey) (LD): We are all aware that the Government have sexed down the alcohol reduction strategy, but could she explain a serious omission, as there is no mention of older people, among whom there is a growing problem of alcohol misuse? Is that yet another example of NHS ageism, or is it because older people do not present such a high profile problem on a Saturday evening at club and pub chucking-out time?

Miss Johnson: What we are doing, both through the alcohol harm reduction strategy and the White Paper, is to concentrate on finding out how much more treatment needs to be provided, and an audit is under way. We are also making interventions in primary and hospital settings to work out how we can better target people of all ages with alcohol problems who are using those services. Much of the improvement across the board in health services has helped elderly people as much as, if not more than, the rest of the population.

David Winnick (Walsall, North) (Lab): Is my hon. Friend aware that a recent report showed that one in four emergency hospital admissions for men is alcohol related? Alcohol plays a part in about half the number of serious road crashes and half of domestic violence incidents. In view of all that, does she agree that the Department of Health should be concerned about plans significantly to extend pub opening hours, which could lead to some pubs being open both day and night for 20 or 24 hours?

Miss Johnson: I am sure that my hon. Friend has seen an article in one of today's newspaper suggesting that we suppressed a report about the number of accident and emergency attendances that are alcohol related. In fact, it is completely untrue. *[Interruption.]* I am coming on to the related point that my hon. Friend made. Page 36 of the alcohol harm reduction strategy identifies the problem with reference to research commissioned by the strategy unit, and page 149 of the White Paper puts the same information into the public domain. I can reassure my hon. Friend that we are well aware of the problems in A and E departments resulting from alcohol, which is why we are looking at targeted interventions. We are working with the chief medical officer and the chief nursing officer on the curriculum, guidance and training for health service professionals so that we can deal better with people who come to the NHS the worse for alcohol.

Mr. Simon Burns (West Chelmsford) (Con): May I press the Minister to pick up on the question from the hon. Member for Walsall, North (David Winnick), which she singularly failed to answer? Given the problems facing the health service because of alcohol-fuelled abuses and, in addition, attacks on NHS staff, particularly in accident and emergency departments, will the Minister share with the House the information or advice that the Department of Health gave the Home Office when it was considering relaxing the laws on licensing to allow 24-hour drinking? Does the Minister agree with her right hon. Friend the former Home Secretary who, it now transpires, did not agree with that legislation, even though his Department was responsible for it?

Miss Johnson: I agree with the Government. We are all aware that there are problems arising from binge drinking. That is why we are the first Government to set out a harm reduction strategy, and the first Government to produce a comprehensive White Paper—*[Interruption.]*

Mr. Speaker: Order. Hon. Members should be quiet.

Miss Johnson: Thank you, Mr. Speaker.

We are the first Government to produce a White Paper that examines the problems arising from alcohol. My right hon. and hon. Friends in the Home Office have been tackling the disorder consequences of binge drinking with measures such as fixed-penalty fines, additional fixed-penalty fines, enforcement campaigns and new laws to close down premises if under-age sales occur. That is on top of the measures that we are taking in the health service. We all accept that more work is needed to clamp down on binge drinking. The problem is already with us and it has a long history. We have instituted the measures that will tackle the problem.

Ms Julia Drown (South Swindon) (Lab): I am grateful to my hon. Friend for meeting me and one of the leading consultants from the Great Western hospital who deals with the results of alcohol misuse and sees patients dying on our wards each day because of alcohol misuse.

Does my hon. Friend support the measures that doctors are pushing for—alcohol warnings on bottles so that people know how much alcohol they are consuming; alcohol specialist nurses in our acute hospitals so that they can tackle people at the point at which they are potentially willing to change their mind, following an acute admission; and more education in schools about the damage that alcohol can cause to a person, their whole family and their friends?

Miss Johnson: We support a range of measures that my hon. Friend is probably aware of, including a new sensible drinking message based on research into how we change behaviour, targeting the interventions that I mentioned a moment ago in primary and hospital settings, and better advice and training for professionals. We also recognise that we need to do more about education on alcohol. All these topics form the basis of the alcohol harm reduction strategy that I mentioned.

Foundation Hospitals

5. **Mr. Piara S. Khabra** (Ealing, Southall) (Lab): If he will make a statement on the number of hospitals that have obtained foundation status; and how many applications are pending. [208905]

The Secretary of State for Health (Dr. John Reid): I have today announced that 32 more trusts, which for the first time include mental health trusts, have been successful in their preliminary application for NHS foundation trust status. Decisions on the next phase of the applications are scheduled for the autumn of this year, after I have had the opportunity fully to consider the outcome of the review of the policy by the Healthcare Commission. Twenty-five acute and specialist NHS trusts have so far been awarded NHS foundation trust status. A further group of 10 trusts are seeking authorisation this April.

Mr. Khabra: Has there been any measurable improvement in the waiting lists for hospitals already granted foundation status, and is there any hope of improvement in the future?

Dr. Reid: Indeed, in many cases foundation status has meant a dramatic reduction in waiting lists and waiting times. Of course, it is true that right across the national health service there has been a significant reduction in any case, as a result of, first, decentralising decision-making to the front line and, secondly, introducing the prospect of more patient power and choice of provider, allied with the investment that the Government have put in. So the capacity and the reform, including NHS foundation trusts, have resulted in more, quicker and better quality health care for most people. I recognise that there is still a long way to go, but I promise that this Government, God and the electorate willing, will continue to improve—*[Laughter.]* It appears that Conservative Front Benchers believe in neither of those two personages, but I assure them that both will sit in judgment on the Conservative party in due course.

Chris Grayling (Epsom and Ewell) (Con): May I seek a point of clarification? Are the Government willing in principle, subject, obviously, to all the quality issues that arise, to consider an application for a foundation trust that wraps together secondary and acute care, with some primary care services, too?

Dr. Reid: At this stage, we have extended just from acute secondary care to mental health trusts. The hon. Gentleman might know that we have commissioned a review of the early experience of foundation trust status, which will be carried out by the Healthcare Commission and will, no doubt, examine extending such opportunities further. In general, however, the principles of a diversity of providers, decentralising power to the front line as far as possible and, crucially, giving patients more information and power in relation to which provider they choose, whether in the secondary or primary sector, are an integral part of our reform programme.

Most Members on both sides of the House share the principles that I have outlined, but there is one other principle that, I am afraid, divides us—that people in

this country, in line with the founding principle of the national health service, which they still support, should continue to have equal access to health care, free at the point of need. We are absolutely committed to that, and we absolutely refute charging for any operations through the national health service, which is the proposal—*[Interruption.]* As Conservative Members are trying to intervene, let me read from their document on the right to choose—*[Interruption.]*

Mr. Speaker: Order.

Mr. David Hinchliffe (Wakefield) (Lab): One of the positive aspects of foundation status was the devolving of local decision making to local people, enabling local people democratically to elect those who run foundation trusts. What steps have the Government taken to analyse what happened in Bradford, where the locally elected chairman, a popular local figure, has been removed by the regulator, and people have come in from New York—some distance from Bradford—to run the foundation trust?

Dr. Reid: The matter is being investigated by Monitor, the organisation that was established precisely to ensure that foundation trusts—we hope that all hospitals will obtain foundation status in future—comply with rigorous financial inspections. I would therefore prefer to leave it to that organisation, and to say only that this is not an aberration—Monitor was set up to discover exactly where hospitals are running huge financial risk. In previous decades, before we set up the organisation, that could have gone on for some considerable time. The expectation then was that the rest of the system would bail out those who found themselves in that position. I am afraid that we can no longer tolerate that. Along with the rights to make decisions at the front line, people must accept the responsibility to run a rigorous, financially viable organisation. We expect that of all, not just Bradford.

Mr. John Wilkinson (Ruislip-Northwood) (Con): Does the Secretary of State intend to add to the number that he has quoted by the designation of foundation status to the new hospital that he plans to build in the Paddington basin, combining the Royal Brompton, the Harefield and St. Mary's hospital, at a cost of more than £1 billion, without planning permission, and for which the outline business case required by the National Audit Office seems to indicate that it will not be in service until 2013?

Dr. Reid: To suggest that the NHS would plough ahead with any project, whether it costs £1 or £1 billion, without planning permission is to stretch the credulity of the House. As far as foundation status is concerned, I can confirm two things: first, we intend all NHS trusts to get foundation status; secondly, the services that NHS trusts provide will be free at the point of need. We do not intend to allow 50 per cent. of the NHS tariff to be used where hospitals charge patients—those are the words of the Conservative party, which I was trying to quote earlier.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I welcome the announcement that another hospital in Birmingham has been granted foundation status. The hospital in my constituency was granted foundation status last year, and patient services have improved. Will the Secretary of State ensure that the hospitals in the new round use the financial freedoms that they have been granted to benefit patients in their localities and to build on services? They have been given the power and should use those freedoms.

Dr. Reid: I hope that that will increasingly be the case. Seven of the 20 NHS foundation trusts are already using their borrowing freedoms to fast-track capital projects, and seven of the 20 are already using non-capital freedoms to extend patient choice projects. The proof of the pudding is in the eating: we now have 450,000 more operations every year; we have halved the maximum waiting time for operations and will halve it again over the next three years; and we have taken 314,000 people off the waiting list that we inherited from the Conservative party. Let us not pretend that everything is perfect, but let us not pretend that substantial and significant progress has not been made in the NHS.

Patient Choice

6. **Mr. Bill O'Brien** (Normanton) (Lab): If he will make a statement on recent guidelines issued to primary care trusts on patient choice. [208906]

The Secretary of State for Health (Dr. John Reid): Recent guidelines have set out a framework that gives patients greater choice of where to have their treatment. Patients will be able to choose to go to hospitals offering faster access to treatment, offering a fairer system to everyone.

Mr. O'Brien: I have been asked to bring this case to the House on behalf of Mrs. Mayfield, who has been denied choice. She had the choice between a hospital in Wakefield or a hospital in Leeds, and the PCT directed that she should be treated in Leeds, which meant a 36-mile round trip in the ambulance provided by the PCT. Mrs. Mayfield has recently undergone tests at Clayton hospital in Wakefield and is now waiting for further treatment. If that treatment can be provided at Pinderfields hospital, will my right hon. Friend assure me that Mrs. Mayfield will be able to choose the hospital in Wakefield rather than the hospital in Leeds?

Dr. Reid: I thank my hon. Friend for giving me notice of his question through one of my hon. Friends. For obvious reasons, I am reluctant to discuss individual cases by name on the Floor of the House, but I shall make a general point and go as far as I can on the individual case. Although we want to give greater power and choice to the patient, it must be in the context of national standards and best medical practice. For example, a local constituent who is receiving treatment for rheumatoid arthritis must be offered treatment within the guidelines outlined by the best clinical advice. West Yorkshire PCTs have decided to

commission that particular service from Leeds Teaching Hospitals NHS trust because they want to meet the guidelines issued by the National Institute for Clinical Excellence, which has a worldwide reputation for guidance on best treatment. The NICE guidelines state that the prescription of the agents that some patients with rheumatoid arthritis have to receive

"should be undertaken by a consultant rheumatologist specialising in their use".

In my hon. Friend's local area, the consultant who specialises in their use is currently situated at Leeds hospital. This is being done with the best of intentions, best practice and best medical guidelines. My comments will be noticed, and I am sure that the local authorities will consider whether there is any way of making the service even more convenient.

Mr. Peter Lilley (Hitchin and Harpenden) (Con): May I congratulate the Secretary of State on his U-turn on patient choice in the health service? Does he regret that the initial policy of the Labour party was to remove patient choice, to stop money following patient choice and to abolish what it derided as the internal market? Is it not a shame that for seven years we have had no patient choice—and consequently nothing driving up efficiency and improvements—and hence there has been so much money spent and so much waste? I welcome the Secretary of State's belated, inadequate and over-bureaucratic conversion to patient choice.

Dr. Reid: I thank the right hon. Gentleman for his congratulations and wish him a happy new year, along with everybody else on the Opposition Benches.

It is certainly true that when one introduces real choice, as opposed to the theoretical choice that we all possess to buy a Rolls-Royce or dine at the Ritz, it has to be made real by increasing capacity and investment. The right hon. Gentleman is right that for the first two years of our Government, from 1997 to around 1999, we did not increase that investment and stuck to the Tory spending plans, for the very good strategic reasons that we wanted to create a stable economy, reduce unemployment and so on. In that context, we did not introduce a great deal of reform. Obviously, I would have liked to do it earlier.

Nevertheless, I welcome the fact that the right hon. Gentleman welcomes the fact that we are now doing this and doing it robustly. I only hope that he also welcomes the fact that we are doing it within a context in which we are retaining the founding principle of the national health service—that all care will be free at the point of need. Would he and his colleagues concur with me on that important principle?

Mr. Brian Jenkins (Tamworth) (Lab): I recall that at the time when I became a Member of Parliament, my local paper carried a front-page headline saying that a man had remortgaged his house in order to be able to afford a heart bypass operation. Today, we are discussing patient choice: what progress we have made. Will my right hon. Friend ensure that when people make such choices they do it in consultation with their GPs and medical practitioners, who can give them guidance on the most appropriate course rather than allowing them to make a misinformed choice?

Dr. Reid: Choice is never an absolute—it is always subject to best medical standards and is only made real if the capacity is put into the system to allow people to compensate for any lack of money in their own pockets. I never again want us to go back to the days when people were forced to spend between £10,000 and £20,000 to get heart bypass operations in a speedy fashion. That is why I am so absolutely opposed to the so-called patient passport plans, which would force people who want a speedy operation to take half the money out of their own pocket. It is an absolute disgrace to undermine the national health service with such charges.

Hospital Wards

7. **Mr. Ben Chapman** (Wirral, South) (Lab): What his policy is towards the provision of mixed wards in hospitals. [208907]

The Minister of State, Department of Health (Ms Rosie Winterton): Our policy is that the NHS should provide single-sex accommodation for hospital in-patients, and 97 per cent. of NHS trusts now meet single-sex accommodation standards.

Mr. Chapman: I welcome the figure of 97 per cent. None the less, a survey by the National Consumer Council found that shared wards remain a major concern for patients, because they can cause stress and embarrassment to people who are already in a vulnerable situation, whether they be in general wards, emergency wards, short-stay wards or even general wards that have single-sex space. While I recognise that it would cause a loss of flexibility and perhaps a loss of beds, will my hon. Friend ensure that we move from 97 per cent. to 100 per cent. as soon as humanly possible?

Ms Winterton: Certainly. We are obviously delighted that we exceeded the target for December 2002 for 97 per cent. of in-patient stays in single-sex accommodation. I assure my hon. Friend that we are working towards 100 per cent. In the remaining areas of non-compliance with the guidance, new hospitals and new accommodation are being built. That should overcome the problems and allow us to reach 100 per cent.

Tim Loughton (East Worthing and Shoreham) (Con): Back in the heady days of 1996 when the Prime Minister was Leader of the Opposition, he asked,

"Is it beyond the collective wit of the Government and the health administrators to deal with that problem"—[*Official Report*, 19 November 1996; Vol. 285, c. 832.]

of mixed-sex wards?

Since then, the target for 95 per cent. of single-sex wards by 2002 was missed by an unspecified figure. Subsequently, a new target for April 2004 was not met and the *Health Service Journal* reported that at least 84 mixed-sex wards still existed and a quarter of mental

health patients were in mixed-sex accommodation. The targets do not apply to teenagers. Why does the Minister refuse to name the hospitals that continue to have mixed-sex wards? Eight years after the Prime Minister's initial indignation, will the target turn out to be simply another failed Labour promise from a Minister who is becoming the Minister for failed promises?

Ms Winterton: The guidance that we use for single-sex accommodation is the same as the guidance that the Conservative Government distributed. That is how we analyse the compliance. We have been unwilling to publish the details of hospitals where there is non-compliance because it does not necessarily mean that the whole hospital is not meeting the required standards. In some areas, hospitals are not reaching the target but there are plans in place to do so. However, I shall consider whether we can publish the information in the near future.

National Programme for IT

8. **Mr. Richard Bacon** (South Norfolk) (Con): If he will make a statement on the national programme for IT in the NHS. [208908]

The Minister of State, Department of Health (Mr. John Hutton): Last year, contracts were let within budget and on time for all the major components of the national programme for information technology. The Department of Health is working with local NHS organisations to ensure the effective implementation of those new systems.

Mr. Bacon: Why were there only 63 bookings under the choose and book service by the end of December, when the Government, even under the slowed-down timetable, had been expecting 200,000?

Mr. Hutton: There has clearly been a delay in the implementation of choose and book. However, it is important to bear it in mind that we are considering probably the biggest civil IT programme anywhere in the world. I am sure that the hon. Gentleman, who is an expert on such matters, knows that. It is fanciful to suggest that we could implement it with no hiccups and no technical problems. We have never made that claim. The progress on choose and book is slower than I would have preferred but I am confident that, with the other measures that we have recently announced on ensuring that all first out-patient appointments can be booked at a time and place that is convenient to the patient, we can meet our objectives by December 2005.

Dr. Andrew Murrison (Westbury) (Con): The director general of the national programme for IT in the NHS is reported as saying that the Government's blueprint for NPfIT had no engineering basis and had to be reverse engineered. Given that NPfIT will cost £300,000 per doctor over 10 years, can the Minister justify the appalling progress on electronic booking? Why is there so much residual concern about the security of electronically held medical records? In retrospect, would not it have been wiser, in all candour, to engage GPs fully from the start in the process? Would not it have been better to utilise existing processes such as EMIS, in which doctors truly have confidence?

Mr. Hutton: I take issue with the hon. Gentleman about his figures. They do not represent the cost of the national programme for IT. Perhaps we can revert to that at a later date. Of course we all agree that engaging front-line clinicians is an important objective. That is why we are working closely with GPs, many of whom have been involved in helping us to design and shape the national programme for IT to serve the purpose that we want it to provide: a more modern, more convenient, more accessible and more error-free NHS. Rather than moan and groan, as the hon. Gentleman always does, I would have hoped that he and his hon. Friends would at least acknowledge that we are establishing a programme that is the right way forward for the NHS and is fundamental to delivering patient choice and improvements in quality. I hope that, at some point, the hon. Gentleman will get on board and support the national programme for IT because it is right for the NHS. It is a difficult programme to get right, but his negative approach is out of place.

NHS Trust Deficits

9. **Mr. Archie Norman** (Tunbridge Wells) (Con): What steps he is taking to address financial deficits in NHS trusts. [208909]

The Minister of State, Department of Health (Mr. John Hutton): Strategic health authorities have responsibility for managing the financial performance of NHS trusts in their area. Additional financial support is provided, where necessary, to NHS trusts and primary care trusts through the NHS bank, strategic health authorities and, in exceptional circumstances, the Department of Health.

Mr. Norman: Is the Minister aware of the claim in the *Health Service Journal* that the NHS is deep in the red to the tune of £500 million, and that the usual claim that this will sort itself out by the end of the financial year will no longer wash? Will he acknowledge that, this year, a large proportion of the deficits have been caused by unbudgeted cost overruns on centrally driven initiatives such as the new consultants' contract—which could cost an extra £200 million—the GP contract and the working time directive? Does he also recognise that the British Medical Association is saying that 25 per cent. of NHS trusts have already frozen vacant positions? Does he acknowledge that, this year, there is a real case for funding those deficits directly, where merit-worthy cases can be presented to demonstrate that the fault lies with central Government rather than with faulty planning or budgeting by the trust?

Mr. Hutton: I am certainly aware of the *Health Service Journal*'s predictions about the financial state of the national health service this year. I know that the hon. Gentleman is a strong supporter of the NHS, and

I appreciate that. I would like to remind him that the *Health Service Journal*, Conservative Front Benchers and Liberal Democrat Front Benchers have made predictions about deficits every year, but none has ever proved to be accurate or well founded. Last year, the Lib Dems predicted a £400 million deficit; we actually had a £73 million surplus.

Mr. Stephen McCabe (Birmingham, Hall Green) (Lab): Is it possible to track and address deficits in an NHS devoid of accountants, administrators and strategic health authorities? If not, would it be fair to dismiss these dedicated civil servants as pointless and unnecessary bureaucrats at the stroke of a pen, or would that be to perpetrate a deliberate falsehood on the British public?

Mr. Hutton: I strongly agree with my hon. Friend. When we look at the proposals that are eventually emerging from those on the Conservative Front Bench, we see how utterly threadbare, incredible and ludicrous their arithmetic is. The NHS needs good management; it does not need slash and burn, which is what the Tories are proposing.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Minister tell me whether NHS deficits have anything to do with the fact that Ebixa, a drug used to treat Alzheimer's disease, is available in Ashfield but not in Ashbourne?

Mr. Hutton: I accept that there are issues there, and it is perfectly fair of the hon. Gentleman to raise them, although we have taken concrete, specific and successful measures to deal with the lottery of care that we inherited in 1997. We shall need to wait and see what the true position on NHS deficits is at the year end, but it will bear no resemblance to the figures that the hon. Member for Tunbridge Wells (Mr. Norman) has just quoted.

Waiting Lists

10. **Dr. Nick Palmer** (Broxtowe) (Lab): What progress has been made since 1997 on reducing waiting lists for hospital treatment. [208910]

The Secretary of State for Health (Dr. John Reid): Since 1997, we have cut waiting lists by 314,000, or 27.1 per cent. This is the lowest level since comparable data were first collected in September 1987.

Dr. Palmer: I thank my right hon. Friend for his response. I welcome that progress, and today's announcement that two of the Nottingham trusts, including one mental health care trust, have been given foundation status will further accelerate that progress. Does my right hon. Friend agree, however, that although health care professionals are virtually unanimous in saying that there has been enormous progress, the public are still unsure? We really need to focus on the total waiting time from the patient's first contact with their GP to the time at which they get their treatment. Only then will we really make a breakthrough in regard to public confidence.

Dr. Reid: I agree with my hon. Friend. Substantial progress has been made. In 1997, 284,000 patients were waiting more than six months for operations; that number has been slashed to 62,000, and over the year it will be reduced to zero. For 60 years, however, we have measured the six months as starting from the time of diagnosis, not from the time when a GP was first consulted. The Labour Government will get rid of those hidden waits. I have pledged that by 2008 we will measure the time from the GP's door to the door of the operating theatre, and that it will be a maximum not of years, as it was under the last Government, but of 18 weeks. That, I think, will show a truly transformed NHS.

Orders of the Day

Drugs Bill

Order for Second Reading read.

12.30 pm

The Secretary of State for the Home Department (Mr. Charles Clarke): I beg to move, That the Bill be now read a Second time. It gives me great pleasure to do so.

This is an important opportunity to consider a Bill in the context of our overall drugs strategy. I am delighted to say that during the Queen's Speech debate there was broad cross-party support for it, and many of the provisions were discussed following consultation on police powers and publication of a progress update in November. I am sure that that discussion will continue in Committee, and the Government will welcome constructive proposals from members of all parties in that same spirit of broad cross-party support.

We have welcomed the feedback from our consultation, and we have worked closely with the police to develop the powers that are needed and for which the police themselves have asked. Those powers are designed to increase the ability of the police and the courts to tackle drug dealers, and to secure a measured and proportionate response in the tackling of harm caused by class A drugs that complements the drugs strategy that has operated since 1998. The strategy has focused on a number of key targets. It aims to reduce the harm that drugs cause to communities, individuals and families, on the basis of what actually works, and to tackle problems from every possible angle, involving all public services and voluntary and community activity. I think that we are starting to see positive results.

Mr. Desmond Swayne (New Forest, West) (Con): The price of drugs has fallen dramatically. That disincentive seems to have been removed. Meanwhile, the reclassification of cannabis, the entry drug of choice, has left consumers—if we can call them that—with a mixed message: that they will not be prosecuted for holding supplies for their own consumption, but that the supply remains entirely in criminal hands. Is that not the worst of all possible worlds?

Mr. Clarke: I do not think that there is a mixed message. On the contrary, the message is very clear. People should not consume drugs, and we as a Government will work with all the agencies to try to ensure that they do not. It is true that the price is too low in some cases, which is to do with the balance between supply and demand. I shall say something about that in a moment. The hon. Gentleman has raised an important issue, on which we are focusing strongly.

Paul Flynn (Newport, West) (Lab): During a debate in the Chamber in 1998, all parties agreed on a 10-year strategy whose main aim was to reduce the consumption of all illegal drugs. Will the Home Secretary tell me by how much consumption has been reduced in the seven years that have elapsed since then?

Mr. Clarke: Cannabis use among 16 to 24-year-olds is down from 28.2 per cent. in 1998 to 24.8 per cent. Amphetamine use has fallen by 60 per cent. in the last five years. Ecstasy use has also fallen over the last two years. We are making progress, and I think that that is a result of our policies.

Paul Flynn: Will the Home Secretary give way?

Mr. Clarke: I will in a moment.

The hon. Member for New Forest, West (Mr. Swayne) mentioned drugs gangs, of which more than 330 were disrupted in the 18 months to December 2003, since the updated drugs strategy. Some 150 crack houses were closed between January and September under the new powers that this Parliament has given to police forces. Some 8,000 misusing offenders entered treatment through the drugs intervention programme between April 2003 and September 2004. Nearly 26,000 drug treatment and testing orders have been issued since their introduction. On average, offenders committed 75 per cent. fewer offences while on such orders, and they reduced their spend on drugs—this point also relates to the intervention by the hon. Member for New Forest, West—by more than 90 per cent. Fifty-four per cent. more users are in treatment compared with 1998 and waiting times for treatment are down by 71 per cent. compared with the 2001 figure. Drug-related deaths are at their lowest level since 1998 and for every pound spent on treatment, £3 is saved on criminal justice costs.

The extremely important point that I am seeking to make is that none of us in this House should regard the fight against drug use as a hopeless struggle. We have made significant progress as a result of putting our strategy in place. There is, as both interventions have acknowledged, a need to make a great deal more progress and I believe that the Bill will help us to achieve that end.

I turn to the Bill's key points, which I shall go through steadily. By way of general introduction, I should mention the concerns that have been expressed about civil liberties. I want to make unequivocally clear the Government's view that it is the drug abuser who threatens the civil liberties of the law-abiding citizen, rather than the reverse, which is why we need to take legal powers to ensure that the state can prevent and inhibit drug abuse. That requires the kind of measures contained in the Bill, in order to ensure that the immense damage that drug abusers do not only to themselves but to society as a whole is prevented and driven out. We are building on a foundation of steady progress, but we need to go still further.

What does the Bill seek to do? Clause 1 puts in place aggravating factors in respect of supply of a controlled drug by a person aged over 18. For example, where supply takes place within the vicinity of a school and during the relevant time, or where a dealer uses a person aged under 18 as a courier for drugs or for drugs money, the penalties for such an offence will increase very substantially, for reasons that I hope are obvious to the House.

John Mann (Bassetlaw) (Lab): How many recorded incidents are there of drug arrests in the vicinity of schools, and of subsequent convictions, in the past few years?

Mr. Clarke: We do not have the detailed information that my hon. Friend seeks, but anecdotal evidence and comments from many of the agencies concerned suggest that this is an issue that we have to address. Indeed, it would be absolutely wrong of this House not to acknowledge that the supply of drugs in and around schools in some parts of the country is a serious issue. My hon. Friend has rightly developed a strong reputation for his work on this problem and taking the necessary powers through this Bill will enable us to attack it even more strongly.

John Mann: A slight amendment to the wording of the relevant provision might solve the Home Secretary's problem. Several hundred of the 3,000 constituents who wrote to me in response to my heroin inquiry suggested that drug dealing was taking place in the vicinity of local schools. We investigated every single complaint, but we could find evidence of only one such incident throughout the preceding 10 years. The reason was explained by the school pupils. Many of them said, "Why would we be so stupid as to buy drugs in or around the school and use them there, when we can buy and use them in social settings at will?"

Mr. Clarke: I understand the point that my hon. Friend makes, but his survey illustrates that this is a real issue. Let me give another example. A couple of years ago, an Opposition Member asked me to meet the head of a big secondary school in his rural constituency. That head said that he shared precisely these concerns about drug dealers operating in school environs. We must be very clear that that is not an acceptable way to behave. Similarly, where a dealer uses a person under the age of 18 as a courier for drugs or drugs money, that should also be regarded as an aggravation of the offence.

Dr. Brian Iddon (Bolton, South-East) (Lab): I understand that aggravated supply is covered by the current arrangements in the courts, in that the judge can already take aggravated circumstances into consideration, so why does my right hon. Friend believe that clause 1 is so necessary?

Mr. Clarke: My hon. Friend is right that a judge can take aggravated circumstances into account, but they do not include the particular aggravations dealt with in the Bill. That is why it is so important for us to set out the provision in the Bill.

Angela Watkinson (Upminster) (Con): Does the Secretary of State agree that the best way to reduce demand for drugs among school-age children is to change the style and content of education in schools away from the provision of information and harm reduction to drug prevention?

Mr. Clarke: I agree, but I can say, on the basis of my experience, that the work done in schools on personal and health education, which includes sex and drug education, is outstanding and it works in precisely the way that the hon. Lady highlighted. One of my aims in our drugs strategy, working in collaboration with the Secretary of State for Education and Skills, is precisely to develop and enhance the sort of work that will inhibit drug abuse by young people. I believe that that is one of the main reasons why the incidence of drug abuse among young people has gone down.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): To follow up some of the points made by Labour Members, if we accept that we are dealing with a mischief that requires solution and that a statement of aggravation will be relevant to the determination of a sentence, would it not be sensible to make it mandatory for the sentencing judge to specify that portion of the sentence that is attributable to the aggravation?

Mr. Clarke: That is the sort of detail that we can consider further in Committee and I can give a commitment that we will consider that point. However, I do not immediately see the benefit that would arise from that approach. What we are trying to establish is that aspects of drug dealing and drug activity—for example, carrying out such activities in the vicinity of a school—will aggravate the offence, thereby inviting a larger penalty for so doing. If the hon. Gentleman is suggesting that a particular judicial device may be appropriate, we can certainly debate it in Committee and take the matter forward.

Clause 2 establishes a presumption of intent to supply where the defendant is in possession of a particular amount of a controlled drug. Where the presumption applies, a court or jury must assume that the defendant intended to supply the drug. That is to say, it is not a matter of so-called personal use. The particular level will vary from drug to drug and will be prescribed in regulations, which will need to be approved by a resolution of both Houses, based on the advice of the Advisory Committee on the Misuse of Drugs. The purpose of the clause is self-evident—that it is important to clarify the point at which the quantity of drugs in a person's possession becomes above and beyond that reasonably held for personal use.

Clauses 3 to 6 and 8 give the police and the courts powers to tackle drug dealers who swallow or conceal drugs on their bodies to evade arrest. Once again, the provision deals with a straightforward and clear point. Some people such as drug dealers seek, for obvious reasons, to conceal the evidence of their crimes and they take a number of steps to do that. The Police and Criminal Evidence Act 1984 allows for intimate search, and the consent of the detainee is not required under the Act. Intimate searches must be undertaken by a registered medical practitioner or nurse and will not normally be undertaken without the suspect's consent. Some suspects withhold consent to evade detection.

Clauses 5 and 6 enable a police officer to authorise an X-ray or ultrasound scan of a person arrested and suspected of swallowing a class A drug. The court and jury will be entitled to draw inferences where consent to search, X-ray or ultrasound is refused without good cause.

Mr. John Bercow (Buckingham) (Con): I hope that the Secretary of State will not mind pressing the rewind button, but I want to go back over important territory that he has covered already. He has just described clause 2, which is about strengthening the legal position. Many schools now have zero-tolerance policies in respect of drugs, but in a constituency case of mine the anecdotal

[Mr. John Bercow]

evidence in respect of quantity suggested to the head teacher that the child concerned intended to supply drugs. What discussions has the right hon. Gentleman had, or intend to have, with the Secretary of State for Education and Skills about the guidance that might be issued to schools that are nervous about their legal position but anxious to secure help for offenders and protect the other children in the school?

Mr. Clarke: Even on rewind, the hon. Gentleman puts his finger on a very important point. Since I became Home Secretary, I have not had a bilateral meeting with my right hon. Friend the Secretary of State for Education and Skills. However, when I was Secretary of State for Education and Skills, I did have such a meeting with my colleague, the former Home Secretary. In addition, other ministerial colleagues and officials are discussing these matters and I can assure the hon. Gentleman that, between us, we will provide guidance that is clear and agreed across Government. In that way, the head teacher in the case that he described would not have conflicting guidance coming from the Home Office, the Department for Education and Skills and various other people. Our unified guidance will better enable head teachers to make the necessary judgments in such cases.

Clause 8 gives the court power to remand a suspect in police custody for up to 192 hours after charging to allow time for evidence to pass through the body. That is a simple consequence of the change that I set out earlier.

I turn now to treatment and how we will ensure that the criminal justice system deals properly with the core problem. Clause 7 amends the Police and Criminal Evidence Act to extend the existing power to test for specified class A drugs on charge and provides that such a test can be carried out on arrest. That will give police the discretionary power to test people arrested for those trigger offences most closely associated with class A drug misuse. Where the police, at least at the level of police inspector, have reasonable grounds to suspect that class A drugs were a factor in an offence, they will also be able to test in respect of any other offence.

We believe that that is central to helping identify drug abusers at an earlier stage of their contact with the criminal justice system—that is, on arrest rather than at charge. In that way, they could be steered into treatment at the earliest possible moment. The power will apply to people aged 18 and over, but provision exists for the age to be changed through secondary legislation, in line with current provisions for testing on charge. Testing on charge has been shown to work well in conjunction with the arrest, referral and treatment services and testing on arrest will ensure that drug misusers not charged with an offence are nevertheless identified and directed to treatment.

Ms Joan Walley (Stoke-on-Trent, North) (Lab): My right hon. Friend mentioned the talks that he hopes to have with the Secretary of State for Education and Skills, but will he say something about the talks that he has had with the Secretary of State for Health? If we are to ensure that people are directed to treatment, it is essential that every constituency in the country can provide that. I am worried that people currently in prison may not be willing to accept treatment. Will he say how we can ensure that people are matched to treatment and that they get the support and health provision that they need?

Mr. Clarke: My hon. Friend is correct. She will know that the relationship between me, as Home Secretary, and my right hon. Friend the Secretary of State for Health is institutionally very close in this matter. The National Treatment Agency is an NHS body, but it is responsible both to me and to the Secretary of State for Health. The key issue for the agency is to build the capacity to which my hon. Friend referred in communities up and down the country. Since I became Home Secretary, I have not had a bilateral meeting with the Secretary of State for Health, although I will have one shortly. However, I and my colleagues have participated in a full presentation and discussion of the way in which, over the past two or three years, the NTA has been able to build up the availability of treatment. That is one of the factors behind the figure that I mentioned earlier for the reduction in waiting times for particular forms of treatment. The truth is that although we have made some good progress, there is still a long way to go. However, I can give my hon. Friend the assurance that we are committed to reaching that point.

John Mann: My right hon. Friend has mentioned treatment, but is there any chronic, relapsing disease other than drug addiction that those who provide the treatment paid for by the state need have no medical qualification to do so? Is there any other condition that I could set myself up to treat and potentially receive money from his Department for doing so?

Mr. Clarke: That is an important and difficult question. When the National Treatment Agency was established—I was a junior Minister in the Department at the time and involved in the discussions—there was much controversy about whether the appropriate form of treatment for particular conditions at particular times was medical or not. A range of provision existed around the country. One of the aims of the NTA was gradually to reach an agreement about the best form of treatment—medical and non-medical—for certain conditions. Since being appointed, I have asked the question that my hon. Friend asks, and I believe that we are closer to being clear about the best form of treatment for particular conditions.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): I have spent much time in the past few months visiting many centres in the inner cities that deal with drug rehabilitation, and I have identified some serious problems with the way in which the Government are currently thinking about the issue. For a start, they need to stop talking about treatment and start talking about rehabilitation. Treatment includes detoxing, and that is a temporary affair at best. Rehabilitation is the only way ahead. The Secretary of State should look further than what is happening in Britain, because some other countries are way ahead of us. Sweden is a classic example, which has a high success rate in rehabilitation. It has a tough policy: a person has to take the rehabilitation course immediately they have been tested

and found to have been taking drugs or they face criminal penalties. The rehabilitation course starts the following day. It is a residential course that can take months and includes mentoring back into the community. It is expensive, but Sweden's addiction rates are far lower and, as a result, its crime rate is far lower, too.

Mr. Clarke: That is a helpful intervention. I agree with the description that the right hon. Gentleman gives of the Swedish approach, which does give people the hard choice that he describes. I agree that that is where we want to be. Why are we not there yet? It is because we cannot immediately make available a course of treatment or rehabilitation—whatever we call it—but, as I said to my hon. Friend the Member for Stoke-on-Trent, North (Ms Walley) a moment ago, we are committed to reaching that point. We have made significant progress.

The question about the most appropriate form of rehabilitation, treatment or therapy—I use those words in different ways—is important. Even before I started my present job, I was aware that many people had opinions about the success or failure of particular approaches to the problem. The only way to decide that is to call in top medical opinion and monitor what happens in various programmes. That is what we are doing to try to improve the quality of what is available. The core solution is the one that the right hon. Gentleman implied in his question—to ensure that the best solution, whatever it is, is available from day one, so that the choice he describes can be offered. In some parts of the country, we are close to that point, but we are not yet there across the country. Clause 8 is intended to enable us to provide what one might call the Swedish choice.

Brian Cotter (Weston-super-Mare) (LD): My constituency contains more than 10 per cent. of the drug rehab beds in the whole country. Will the Home Secretary personally consider a report that has just been produced by the police and other agencies in the area, because I think that he would find it helpful in addressing the issues before us? We have many concerns in Weston, with many people coming to the area from other parts of the country and, if I may, I shall send him a letter with details of that and the report. We are especially concerned about cracking down on unrecognised and unauthorised rehab centres that promise rehabilitation but do not necessarily provide the best programmes to achieve it. Will that also be investigated?

Mr. Clarke: I look forward to receiving the letter and reading the report to which the hon. Gentleman refers. He illustrates the approach that I have described. It is important to examine the record of particular approaches in particular circumstances. That is what the National Treatment Agency and the professionals in the field are doing. I have just been told by the Under-Secretary of State, my hon. Friend the Member for Don Valley (Caroline Flint), that Sweden, when it reviewed the situation, decided not to proceed with some forms of treatment or therapy after such monitoring. Across the world, people are considering each stage of rehabilitation carefully. Our problem is that the treatment programme has not been strong enough, until recently, for us to say that any proper programme was on offer. Our first ambition was to reach the point at which options for treatment were available. We have reached that point, but our second ambition is to ensure that those options are universally available. As part of that, we need to monitor and review the treatment properly.

Paul Flynn: While my right hon. Friend considers the Swedish experience, which has seen a recent relatively large increase in drug use, will he also consider the Portuguese experience? In 2001, Portugal decriminalised all drugs, which meant an immediate drop in the number of prosecutions from 2,005 to fewer than 13 in the last year. Drug deaths have also halved and the number of AIDS cases—*[Interruption.]* This is more serious than the intervention by the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) because the number of deaths in Portugal has halved from 369 to 132. More people use the prescribing system, but the number using drugs has fallen.

Mr. Clarke: My hon. Friend is well known for making that argument over many years and he is entitled to make it. It is self-evident that if something is decriminalised, there will be fewer prosecutions for it, so that does not tell us anything. The interesting question arises from the other points that he made. The short answer is that I will consider the Portuguese experience, as I will look at every option, but I do not believe that decriminalising drug abuse is the right approach. Indeed, it is the exact opposite of the right approach. As the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) said, the core issue is the relationship between the criminal justice system and proper treatment or rehabilitation. That is the approach that we need to take to resolve the situation, not least because nobody should minimise the massive impact of drug abusers and their behaviour on the civil liberties of regular citizens. It is our obligation to address that.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): The National Treatment Agency has suggested that the drop-out rate is due more to the procedures in clinics than anything that is wrong with the clients. It is clear that we need to spread best practice through the system, and it is important that my right hon. Friend meets the Secretary of State for Health to decide how that can best be done.

Mr. Clarke: My hon. Friend is right. We need to keep learning. For example, the user groups associated with some drug action teams can give genuine feedback on what approach made a difference. I do not pretend that there is a universal solution—a magic wand that can be waved to solve the problem for every individual. People develop drug abuse habits in various ways, and various means will be needed to tackle their problems. I am encouraged to see that we are beginning to make substantive progress, as the figures that I gave earlier suggest. That provides the basis for further progress in the future.

Dr. Iddon: What would my right hon. Friend say to civil liberties groups such as Liberty that say that testing for class A drugs at arrest rather than at charge is setting a dangerous precedent? Does not that criminalise people de facto, ask Liberty and similar organisations?

Mr. Clarke: With all respect to Liberty, I fundamentally disagree with that view—strongly so. We have to get drug abusers who come into contact with the criminal justice system into treatment—whether rehabilitation or whatever word we use—as rapidly as possible. That is the core. No one has a right to abuse drugs, especially when we see the consequences of that abuse in so many aspects of crime. I understand my hon. Friend's concerns; he is well intentioned and has been a clear campaigner on civil rights issues of that kind, but if the choice is between the civil rights of a drug abuser or of those who are abused by the drug abuser, I choose the civil rights of those who are abused by the drug abuser. That is what lies behind the orientation of the Bill, but my hon. Friend is right to raise that point.

Mr. Bercow: The Home Secretary is being extremely generous in giving way. Further to the intervention of the hon. Member for Bolton, South-East (Dr. Iddon), I am strong on civil liberties but there is one important exception in relation to drugs. One of my constituents lost his daughter in a car crash in 1984. To this day, he and his wife believe that the guilty party was either high on drugs or influenced by copious consumption of alcohol. Under the law there was no right to take a test without consent. That strikes me as wrong. As a parent, my constituent has to live with uncertainty as to whether there was causality for the rest of his life. Does the Home Secretary plan to address that important matter in the Bill?

Mr. Clarke: The hon. Gentleman's general point illustrates extremely clearly the point that I was trying to make earlier. We are looking into impairment tests in that regard. There are some difficulties in relation to consent for people in certain conditions with which I dealt previously as a Minister. The hon. Member for Tiverton and Honiton (Mrs. Browning) took up with vigour ways of dealing with those issues and we are looking at them in the way that the hon. Gentleman suggests.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I have been following the Home Secretary's arguments carefully as he sets out the Bill. I hope that he will turn his face against the legalisation of drugs, although he seems to have left a small opening for the hon. Member for Newport, West (Paul Flynn).

Why does the Home Office put so much emphasis on harm reduction and treatment, but so little on abstinence and rehabilitation? Does the Home Secretary intend to reverse that balance and will he tell the House when he will be able to offer a rehabilitation place on demand to somebody who wants to get off drugs?

Mr. Clarke: I have obviously been guilty of misstatement if there is any doubt in the hon. Lady's mind: I am wholly against, without qualification, legalising drugs. If I was unclear in what I said, I reiterate it clearly from the Dispatch Box.

On the point of substance that the hon. Lady raised, abstinence is obviously the right way to proceed. I have seen some excellent work by abstinence-based groups with prisoners and others, which takes a positive course. I do not think that the various regimes should be based on tolerance of a certain level of drug abuse as acceptable but we have to listen to the advice of the professionals about the best way to proceed. I am certainly not such a professional, but we should look at the various ways of proceeding.

On the hon. Lady's point about demand and that we should reach a state of affairs where a rehabilitation or treatment place is available at the outset—the point made by the right hon. Member for Chingford and Woodford Green earlier on—I am with her in principle, and that is the direction we are following. The path that we have set out is precisely drawn so that we can reach that stage.

Clauses 9 to 19 deal with the police's power to require those who test positive for a class A drug to attend an initial assessment of their abuse. That will increase the engagement of drug misusers with treatment providers. At present, those who test positive are encouraged to attend assessment but only on a voluntary basis. The powers requiring such an assessment will enable the assessor to determine the level of dependency or the propensity to misuse the class A drug and whether the person might benefit from further assessment, treatment or both. The powers also provide for the police to require a person to attend a follow-up assessment to give a further opportunity to discuss their drug misuse with a drugs worker and to draw up a care plan setting out the assistance and treatment that the person needs.

Clause 20 deals with antisocial behaviour orders and a new civil order—the intervention order—to be attached to an ASBO where the underlying causes of the antisocial behaviour relate to drug misuse. An ASBO sets out behaviour that the perpetrator is required not to engage in; the intervention order will set out activity that the perpetrator should engage in to address the causes of his antisocial behaviour.

In that context, the Bill deals with so-called magic mushrooms. The chemicals inside them are class A drugs; the mushrooms themselves are class A drugs, if prepared or in the form of a product. The Bill will end uncertainty by making it clear that all magic mushrooms, in whatever form, are class A drugs, and will make it an offence, to import, export, produce, supply, possess or possess with intent to supply magic mushrooms in any form.

Mr. Jon Owen Jones (Cardiff, Central) (Lab/Co-op): That part of the Bill deals with an anomalous position, but it also raises other anomalies. Can my right hon. Friend explain what harm currently done by the partially legal position of that drug will cease to be done or will be reduced by making it illegal? The drug grows widely naturally in this country and people could have it in their gardens without knowing it. Are they committing an offence? There is a hugely anomalous position on khat—a drug widely used by part of the community in my constituency; the drug is certainly harmful but it is entirely legal. The Bill does nothing

about that drug yet magic mushrooms will be made more illegal than they are currently. What benefit will that bring?

Mr. Clarke: We are looking in detail at the position on khat—

Paul Flynn: Oh no.

Mr. Clarke: My hon. Friend is in despair at that proposal.

We are addressing the status of magic mushrooms in particular because the chemicals inside them are class A drugs—they have an effect. As a result, people are preparing products using a brand of magic mushroom, and taking approaches designed to bypass the existing legislation, which is why we are addressing the matter in that way.

Paul Flynn: The Home Secretary is extremely generous in giving way. I want to be clear about the meaning of the provisions. He referred to the possession of magic mushrooms. I own a garden—as do the Queen and the Church of England. If magic mushrooms appear in those gardens, the Bill changes the law so that they become a class A drug for which people can be thrown into the slammer for seven years. Is my right hon. Friend really saying that we should treat the possession of a growing magic mushroom in the same way as we treat someone who owns a crack house?

Mr. Clarke: Obviously my hon. Friend can pursue the issue in Committee if he wants to do so, but the fact is that there has been an increase of 400 per cent. in the number of outlets where those products are made available to the public and we have to deal with that, which is what the legislation will do.

Dr. Iddon: Bearing in mind the fact that we declassified cannabis from class B to class C on the grounds of its harm, what evidence is there that psilocybe mushrooms are as harmful as heroin or either form of cocaine?

Mr. Clarke: Again, we are in the hands of the experts, and the fact is that the hallucinogenic effects of the chemicals in the mushrooms are similar to those of LSD.

Pete Wishart (North Tayside) (SNP): Does the Secretary of Secretary believe there is a case for increasing the bands used for the classification of drugs? Does he agree with the Runciman report and even the Home Affairs Committee, which say that classifying such drugs as class A exaggerates the dangers of magic mushrooms and ecstasy, while diminishing the dangers of heroin and cocaine? We have heard nothing at all about young people. Surely, we must make our drugs laws and classification credible to young people.

Mr. Clarke: Let me be quite candid. There have been two or three interventions from Labour Members and from the Opposition that suggest a tolerance or understanding of people who use those drugs for their own pleasure, or whatever they do. I do not share that view in any respect whatsoever. It is crucial to deal with such drug use, which is what this measure does. Of course, when we look at the analysis of the banding classification system, it is appropriate and right to consider the advice of the professionals who make the medical assessment before coming to a view. That is precisely what we will do, but I do not share any of the apparent tolerance of those drugs that the hon. Member for North Tayside (Pete Wishart) appears to demonstrate. I may have misunderstood him, in which case I apologise, but that is certainly the impression that I have gained.

Mr. Jon Owen Jones *rose*—

Mr. Duncan Smith: I suggest that the Secretary of State look again at Sweden for one reason: it overcame the problem because it stopped classifying drugs in any way at all. Sweden just has one system: all drug use and abuse—the addiction—is prosecuted, which has had a huge result. Before the hon. Member for Cardiff, Central (Mr. Jones) tells the Secretary of State that there is a better way, I wish to make the point that Sweden did exactly what Portugal did and it was a total disaster, which is why Sweden has gone hard back on classifying drugs.

Mr. Clarke: As always, I am grateful to the right hon. Gentleman for his advice, and I will look at the matters he has raised.

Mr. Jon Owen Jones *rose*—

Mr. Clarke: This is the final time that I will give way.

Mr. Jon Owen Jones: I thank the Secretary of State for giving way to me again, but the debate so far has focused on drugs without an attempt to classify or define what is meant by drugs, and the last intervention is a classic example of that. If we define something as illegal, it becomes illegal, but we never define why it is illegal. Drugs must become illegal where they do harm. If a drug is not doing harm or not doing sufficient harm, it should not become illegal. We use several drugs that are not illegal because society does not judge that they do sufficient harm to make them illegal. We cannot simply say that all drugs are what we say they are, without explaining why we say that they are illegal.

Mr. Clarke: It is impossible to argue that the abuse of class A drugs, which is what we are principally talking about in the Bill, does not cause harm to society. *[Interruption.]* I am glad to hear that my hon. Friend is completely at one with me on that. I accept that we could discuss what should or should not come within the legal framework. My test has always been, and remains, whether a measure reduces the consumption of a drug, legal or illegal, since consuming less drugs is beneficial to society.

Mr. Bercow: Fewer.

Mr. Clarke: Fewer. I beg hon. Members' pardon; I stand corrected by the hon. Gentleman. *[Interruption.]* I am being correct again—perhaps we could have a discussion about that in Committee.

Paul Flynn: Will the Secretary of State give way?

Mr. Clarke: I will not give way again; I have given way too much. In fact, I shall come to the conclusion of my speech.

[Mr. Clarke]

The Bill shows that the Government have consulted widely on the proposed measures. We have debated most of the provisions already in detail during the debate on the Loyal Address. I believe that the Bill is a measured and proportionate response to the problems that we face and that it will contribute to the Government's strategy to reduce the harm caused by class A drugs. The police have said that the measures will help them to tackle drugs. I commend the Bill to the House.

1.14 pm

David Davis (Haltemprice and Howden) (Con): Let me begin by telling the House that we welcome much of the Bill. Indeed, on the evidence of the last few interventions, I suspect that the Home Secretary's view is closer to mine than to those of some Labour Back Benchers.

To pick out a few headline points, we welcome the extra police powers to test for class A drugs on arrest and the new measures to deal with those who conceal their drugs. Although the Home Secretary appeared to be concerned about civil liberties, he knows that I am probably tested most on them, but I agree with him entirely about this very important issue, about which Liberty is wrong and he is right.

We are pleased that the Bill proposes a number of lesser measures, including making magic mushrooms a classified drug, although we are disappointed that the Bill does not include khat, which is already illegal in America, Canada, Norway and Sweden. I hope that we can discuss that in Committee. Khat is under investigation, and some Somali community leaders are concerned about it and would like it to become illegal.

Paul Flynn *rose—*

David Davis: I will give way to the hon. Gentleman, but I shall limit the number of times that I give way because I shall have a limited voice today.

Paul Flynn: The certain result of criminalising khat and magic mushrooms will be, with khat, to drive a wedge between the police and the Somali and Yemeni communities in Britain, and, with both drugs, to create an illegal market. Their use will not go down; it will increase, as the use of all drugs increased when we introduced prohibition in this country in 1971, and it will do so in the hands of an irresponsible black market, and profits will be made. For example, we had 1,000 drug addicts in 1971, and harsh prohibition increased that figure to 280,000. Criminalisation is an extraordinary, foolish and self-defeating aim, especially with magic mushrooms. No one has ever been killed using them and they are non-addictive.

David Davis: The hon. Gentleman has a long-standing difference of view from most of the rest of the British population. That issue was best dealt with by my right hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith), when he pointed out that Sweden had tried the route that the hon. Gentleman advocates and it was a disastrous failure. Sweden's current approach has its vagaries, but it is much more successful.

We welcome the Bill, but unfortunately it is only a small step in the right direction. It is not a solution to many of the problems that the Government have allowed to continue over the past seven years, but then no legislation can make up for the failure of policy that we have seen. The Government have had numerous initiatives, summits and crackdowns on drugs, but I am afraid that the result has been more drugs, more dealers, more crime and more violence. There are more than 4 million drug users in England and Wales, and more than 1 million class A drug users. Cocaine use is up 250 per cent. and ecstasy use has doubled.

I agree with the Home Secretary that drugs wreck lives and that they are the scourge of society, and the Government should admit that they have failed to deal with some aspects of the problem. I was going to be quite hard about this, but frankly, given the Home Secretary's approach today, I am inclined to be more kindly, because he attacked the problem with an open mind. We will attempt to make the Bill as strong as we can in Committee. However, the problem is one not just for today—there are millions of users today—but for tomorrow.

Drug abuse among the young is increasing. The Home Secretary cited some numbers that I shall dispute. In 2003, 21 per cent. of school children had taken drugs in the past year. In 1998, that figure was 11 per cent., according to Department of Health figures. Alarmingly, in 2003, almost two thirds of 15-year-olds had been offered drugs. Sadly, British teenage boys top the European league of cannabis users.

I shall dwell on cannabis for a moment. Cannabis is not a harmless drug. Super-potent varieties have emerged in the past 20 years, and scientific evidence continues to show a heightened risk of mental illness for those who use cannabis regularly. A recent report suggested that someone who starts using cannabis at 15 has more than four times the risk of developing schizophrenia as someone who starts at 18. I quote:

> "It is undoubtedly the case that most users of class A drugs, such as heroin and cocaine, start off by using so-called soft drugs, normally cannabis".—[*Official Report*, 31 October 2000; Vol. 355, c. 430W.]

The Home Secretary will recognise that quotation: he said it.

Mr. Henry Bellingham (North-West Norfolk) (Con): Did my right hon. Friend see the report today that the Royal College of Physicians is very concerned about the new type of cannabis that can cause substantial brain damage and major problems in later life when it is taken by youngsters?

David Davis: I have not seen that report today, but it is the latest in a line of reports that have come out in the past 12 months that demonstrate that the perception of cannabis—primarily among the 1960s generation, like me, I guess—as a relatively harmless, recreational drug is very far off the mark. In fact, it is a dangerous psychotropic drug that does a great deal of harm, often

in the long-term when it causes serious psychotic illness. That view will be reinforced by the report that my hon. Friend mentions.

Mr. Jon Owen Jones: The right hon. Gentleman is citing examples from different countries and times. Has he read that the prohibition of alcohol in the United States not only more than doubled the number of murders in that country and made the mafia extremely wealthy, but changed the pattern of alcohol consumption? It was safer to transport potent alcohol, so the use of spirits increased enormously and the extent of beer drinking went down. Is there not a lesson to be learned from that example about more potent forms of cannabis?

David Davis: No; I do not think that that is the driving force. I am afraid it is a question not of reducing the volumes that must be carried but of what sells better. I understand the view taken by liberalisers, which is based almost entirely on the experience of prohibition, but I just think that it is plain wrong. These drugs do enormous harm, which is why the vast majority of the world does not believe in allowing them to be freely trafficked. We are part of the general consensus on that, so the real point to address is how well we control drugs, on which I shall take the Government to task in a moment. One of the problems with the Bill is that it will not tackle the users of soft drugs until they graduate to harder stuff.

Paul Flynn: Will the right hon. Gentleman give way?

David Davis: Not for a moment. I have only a limited voice left. The drugs that I am taking are legal, but they do not save it from wearing out quickly with this flu. *[Interruption.]* Magic mushrooms will not help either. [HON. MEMBERS: "How do you know?"] I am sure that I take the Home Secretary's advice.

By the time a drug user gets to hard drugs, it is often too late. Breaking a heroin habit is harder than breaking a cannabis habit. It is not surprising that drug use has gone up. Drug prices have fallen because supply has increased—it is as simple as that. Our porous borders have made it all too easy to smuggle drugs. It is estimated that seizures account for only about 10 per cent. of the drugs coming into the country, and I note that class A seizures went down a couple of years ago for the first time in memory.

The Government have failed in their international responsibility to deal with Afghan opium production. Last October's bumper crop will flood our streets with heroin. With so many drugs available, it is no wonder that heroin has more than halved in price since 1995. Crack can be bought for a tenner in some parts of the country and ecstasy for a pound. At £1.95, a line of coke costs little more than a bottle of coke. Cocaine was once a so-called society drug that was available only to the rich, but now it can be bought with pocket money. Occasional users turn into regular users—users who demand a fix whatever the price.

All too often, the cost of such dependency is crime, which is one respect in which I agree with the hon. Members for Cardiff, Central (Mr. Jones) and for Newport, West (Paul Flynn). Drug-related offences have risen by a quarter in the past three years alone. A heroin or crack addiction can be expensive, and it is estimated that a regular user spends nearly £450 a month on his habit. The Government admit that 70 per cent. of acquisitive crime is drug-related. About three quarters of hard drug users commit crime to obtain drugs, and persistent drug misusing offenders commit almost 10 times as many crimes as people who do not use drugs at all. It was reported last week that a £20,000 kilo of heroin would lead to 220 burglaries by addicts who need to pay for their fix. As of the end of last year, one acquisitive crime—shoplifting—has become punishable by fixed penalty notice. For a regular shoplifter, an £80 fine is less of a deterrent than an occupational expense.

Unfortunately, drug crime is not only shoplifting but high-level organised crime that is often violent and gun-toting. With the drugs trade come drug gangs, drug barons, drug territories and drug wars. The lure of easy money can be too hard to resist. The gross margin from production to retail on a single gram of crack cocaine is nearly £50, so is it any surprise that burglars and other criminals are abandoning their old trade to sell drugs in the dark street corners of our cities and towns?

Mr. Nigel Evans (Ribble Valley) (Con): My right hon. Friend has already stated that some class A drugs are cheaper than a cup of coffee from Starbucks, which is clearly wrong. Does he believe that the Bill is deficient on the specific matter of sentencing and that those who deal in class A drugs should face stiffer penalties, as provided for by my private Member's Bill?

David Davis: My hon. Friend will get a roll of honour later in my speech.

The Bill provides for the supply of drugs to children near a school to be considered as an aggravating factor for sentencing. The hon. Member for Bassetlaw (John Mann) made an intervention on the Home Secretary about that point. One is tempted to ask why that provision should be limited to schools rather than including youth clubs, skate parks, arcades and bowling alleys. Why should the provision not be extended to supplying children—full stop? We need to make it clear that dealing to children, wherever they may be, is an evil that will not be tolerated by this Government or any other Government of this country.

Angela Watkinson (Upminster) (Con): I am grateful to my right hon. Friend for giving way—he can rest his voice for a moment. The Home Office "Frank" website gives the following advice on cannabis:

"Smoking a spliff makes most people happy, relaxed and at peace with the world but the effects vary from person to person. Some people have one puff and feel sick. Others get the giggles until the muscles in their face hurt . . . Cannabis is quite an introspective drug. Once stoned, users can find hidden depths in daytime television"

and

"the most unlikely song lyrics".

Does he think that that advice will encourage or deter cannabis use?

David Davis: The prospect of finding hidden depths in daytime television would terrify me, but my hon. Friend raises a significant point. There is a danger that the approach on harm reduction might encourage the use of drugs, or at least give out a neutral message. I—like the Home Secretary, to be fair to him—believe that drugs are unmitigably harmful and thus should not be encouraged in any way.

I return to my point about penalties and supply to children. The Bill refers to cash payment for drugs that are sold to and couriered by children. I understand that youngsters in some cities are paid up to £30 a day to deliver drugs to users, but the Home Secretary should know that cash is no longer the only commodity traded for drugs. DVDs, CDs, computer games, trainers and mobile phones are today's traded goods for drugs, so people do not receive only the bankers drafts, cheques, notes and coins to which the Bill refers. I hope that we can pick up on that in Committee and ensure that the Bill's wording does not provide a loophole so that an expensive lawyer can get a drug dealer off.

Mr. Bercow: My right hon. Friend's position on drugs is much clearer than that of the late Congressman Schwegel, the representative of Iowa, on whisky. When asked about that subject, he said:

"If, when you say 'whisky', you mean the devil's brew, the poison scourge, the bloody monster that defiles innocence, dethrones reason, destroys the home, creates misery and poverty, literally takes bread out of the mouths of little children; if you mean the evil drink that topples Christian men and women from the pinnacles of righteous, gracious living into the bottomless pit of degradation and despair, shame, helplessness and hopelessness—then certainly I am against it with all my power. But if, when you say 'whisky', you mean the oil of conversation, the philosophic wine, the ale that is consumed when good fellows get together, that puts a song in their hearts, laughter on their lips and the warm glow of contentment in their eyes . . . if you mean the drink the same which pours into our treasuries untold millions of dollars to provide tender care for our little crippled children, our blind, our deaf, our dumb, our aged and infirm, and allows us to build highways, hospitals and schools—then certainly, I am in favour of it. This is my view and I will not compromise."

Hon. Members: More!

Mr. Speaker: Order. The hon. Gentleman would have been better to quote Robert Burns as saying:

"Freedom and whisky gang thegither".

David Davis: If I may say so, Mr. Speaker, you are the last person I would have expected to quote that.

My hon. Friend the Member for Ribble Valley (Mr. Evans) has published a private Member's Bill—

Mr. Jon Owen Jones: Before the right hon. Gentleman leaves whisky—

David Davis: No. The Bill is not about whisky. I may mention whisky later and give the hon. Gentleman another chance, but I will not give way now.

My hon. Friend the Member for Ribble Valley has published a private Member's Bill that will ensure that anyone who is caught dealing in drugs with children will receive a custodial sentence. His Bill will also set a mandatory sentence for repeat dealers. Will the Government support it? I am sure that he would not mind if they adopted his measures in their Bill. Will the Government, while they are at it, consider encouraging schools to follow the Abbey school example and begin random testing for drugs at schools?

The Home Secretary, when he was Secretary of State for Education and Skills, I believe, started the enabling of that process, but it was a very cautious enabling. Reading the guidance almost made me afraid of the proposal. Will the Government provide the resources and support to make random testing at schools happen? It is clear that many parents are concerned about drugs—

Mr. Charles Clarke: The short answer is yes. The right hon. Gentleman is right to identify random drug testing in schools as a necessary weapon for head teachers who wish to use it. I do not think that it is accurate to say that we were less than fulsome about it. On the contrary, we positively encourage it, and I certainly did as Secretary of State for Education and Skills.

David Davis: I am pleased to hear that. If I remember—I am relying on my memory, which is probably not a good idea given that I am on cold drugs—extreme caution was advocated. I think that that was the phrase used. That is one aspect. In any event, we should look at the guidance.

The second point is resource. There are drug-testing machines that schools would not be able easily to afford but it might well be worth while providing them to local education authorities. It is my party's policy that we would do that. It would be a good idea if the Government took that on board as a way of accelerating the process. Addiction among the young is the most pernicious ailment afflicting our society, but as the Home Secretary said, it can be beaten.

When I spoke to the Americans this summer on this matter they told me that they were able to reduce addiction generally among teenagers by 11 per cent. in two years. As the addiction that they were talking about included alcohol, I will give way to the hon. Member for Cardiff, Central (Mr. Jones) on his point on whisky.

Mr. Jon Owen Jones: I thank the right hon. Gentleman—he has given way often—for giving way belatedly to me. Which would he regard as more harmful, a spliff or a bottle of whisky?

David Davis: A spliff, because of the effect on the psychological health of the person in the long term. Whisky is, of course, harmful when used immoderately. Beyond that, I shall rest on Mr. Speaker's advice on the matter.

I return to the issue of the reduction of addiction among teenagers. The rather simple point—a blindingly obvious point in a way—that the Americans made to me when they were talking about the matter was that the key was simultaneous reduction of supply and demand. They made the very good point that if supply alone was reduced, price was increased, and that that encouraged more supply, so that did not work. If demand was reduced but not supply, the pushers looked for new markets, tried harder and pushed demand back up. Simultaneous reduction of the two is a key part of any

Government's strategy. It may sound an obvious point, but it is not something that many Governments manage to achieve.

As I have said, we welcome the testing of class A drugs on arrest. As I understand it, the Bill makes provision to do so only for those aged over 18. Given the increasing use of drugs by minors, why not extend the provision to those under 18? That seems to me to be self-evident. It is a point that would be worth picking up by the Minister today or in Committee.

It is proposed in the Bill to extend the arrest referral scheme, making it compulsory for those testing positive to attend assessment. As far as I can see, it does not make it compulsory to undergo a complete treatment programme. It is important to complete that programme, because starting such a programme is not a solution—finishing it is. Again, the Bill appears to apply only to those over 18.

For those testing positive, what sort of care plan do the Government have in mind? Under the current arrest referral scheme, the Government's research seems to show that 97 per cent. of those interviewed failed to make it into effective treatment. The Government's flagship treatment programme, the drug treatment and testing order, has only a 28 per cent. completion rate and an 80 per cent. reconviction rate. One Whitehall insider is quoted as saying that "breach is the norm" with DTTOs. The only way to break the link between drugs and crime is to adopt the policy outlined by my right hon. Friend the Member for Chingford and Woodford Green when he talked about Conservative policy offering residential rehabilitation or the criminal justice system, and that choice immediately, not after a wait, and not the halfway measure that appears to be proposed in the Bill.

John Mann: Will the right hon. Gentleman give way?

David Davis: I will in a moment.

I understand that the Home Secretary has to sort out the resources. However, it began to sound, when he was speaking, as though he agreed with our strategy. I take that as a good sign.

Mr. Duncan Smith: Will my right hon. Friend give way?

John Mann: Will the right hon. Gentleman give way?

David Davis: I will give way to my right hon. Friend first.

Mr. Duncan Smith: My right hon. Friend is touching on the rehabilitation point. A few weeks ago I visited a centre in Norfolk—the Princess of Wales rehabilitation centre, I think. About a third of its beds were not occupied. The reason was the way in which the local authorities were involved in deciding how much money was allocated and whether people could be put into that rehab. Does my right hon. Friend agree that we need to put the power to put people into rehabilitation either in the hands of the courts, with the money to follow them, or in the hands of the police, or both, but certainly not leave it to local government or any other body, even including health departments, and that when someone is found to be on drugs the decision should almost immediately be made and the process begun?

David Davis: I agree for two reasons. First, for the immediacy of the decision, and secondly because the systems that work require some continuing coercion. They require the option, for example, of saying, "If you fail in this system, you are back into the criminal justice system." For both those reasons it is worth while doing exactly what my right hon. Friend says.

I now give way to the hon. Member for Bassetlaw, who I know has a long record of interest in these matters.

John Mann: Will the right hon. Gentleman explain why, when his party voted for residential rehabilitation 18 months ago, it cited Sweden as the example? Will he explain also why Sweden reduced last year the number of places in residential rehabilitation by more than two thirds?

David Davis: Off the cuff, I cannot explain why Sweden did that. It was not just Sweden. As I have said, I talked to the Americans during the summer, and they were sceptical. I know that the hon. Gentleman is also sceptical of residential rehabilitation. There are other schemes that can work for some, but the predominant fact about residential rehabilitation, backed up by coercive measures, is that there is recognition of how difficult it is to get off drugs. What is proposed will have to be matched inside prisons.

Mr. Duncan Smith: One of the answers about Sweden is the budget pressure that it has had. The argument in Sweden takes place on the basis of how much more the residential care programmes delivered, given the extra effort put in, than non-residential programmes, and whether it was worth the extra money.

In the UK, I used to visit C-FAR in Devon, which worked with prison officers and the police. By taking people residentially, it has reduced reoffending among young offenders to under 40 per cent. in Devon as opposed to 73 per cent. nationwide.

David Davis: As my right hon. Friend speaks, the head of C-FAR is addressing a conference at Portcullis House on precisely that issue.

Paul Flynn: Will the right hon. Gentleman give way?

John Mann: Will the right hon. Gentleman give way?

David Davis: No. Hon. Members can speak about these matters later in the debate if they want to do so.

I move on to the Government's latest proposal in clause 20, which is the intervention order. The Bill states that a new order can be made alongside an antisocial behaviour order when drug misuse has been the cause of behaviour that led to the ASBO being made. Government statistics show that 25 per cent. of people experience drug-related incidents of antisocial behaviour. The explanatory notes say that there are 15 million incidents of antisocial behaviour each year. That could mean nearly 4 million acts of potentially drug-related antisocial behaviour every year.

[David Davis]

The Government's estimate is that only 100 of the new intervention orders will be issued each year. That means that about one in 40,000 drug-related antisocial behaviours will be picked up. Even if it is 5 per cent., it will be one in 7,000. That is hardly going to solve the problem. The explanatory notes state that the cost of 100 orders will be £370,000. With 1 million hard drug users in the country, that is 37p a piece or about £1.50 per problem user. However, given that the Government have agreed to delay the commencement of that provision until April 2006, it will be rather meaningless for the next 15 months. It may be a good idea, but as it stands it is an inadequate measure that will be introduced too slowly and too late. If it is to be introduced, it must be done properly and immediately. There are problems today as well as in a year's time, when another generation of children will get hooked on class A drugs.

I am glad that the Government have not given up the war on drugs, but although we may not have lost it, we are not yet winning it. We will support the Bill today because it is a step in the right direction, albeit only a small one. The Bill does not reclassify cannabis, it does not require residential rehabilitation, and it does not encourage schools to test pupils. It does not set mandatory sentences for repeat drug dealers or provide for automatic custodial sentences for people dealing to children. The illusion of action is sometimes more dangerous than inaction. I hope that in Committee the Bill will be toughened up, and I am optimistic, following the Home Secretary's speech, that there will be tougher practical measures on drugs. So far, there has been a great deal of rhetoric but not enough action, and too many children are at risk in the country to allow that to go on any longer.

1.40 pm

Paul Flynn (Newport, West) (Lab): First, I wish to clear up the issue of what happened in Sweden. As a rapporteur for the Council of Europe, I produced a report on drugs policies in which I made comparisons between the two most prohibitionist countries in Europe and two with pragmatic policies. The report covered the period from 1900 to 1999, and it showed that areas with the harshest policies in Britain and Europe had the largest increases in drug use. I do not know whether the right hon. Member for Chingford and Woodford Green (Mr. Duncan Smith) was updated on the position, but since 1995 there has been a fourfold increase in drug deaths in Sweden. A report by the Swedish Forensic Medicine Institute said that Sweden probably had the highest number of per capita drug deaths in Europe. I do not know whether the right hon. Gentleman received an explanation, but there are some very good propagandists for the policy.

Mr. Duncan Smith: The hon. Gentleman is a fair man, so I am sure that he would like to correct those figures. He will recall that Sweden followed a programme of complete liberalisation in the 1970s and early 1980s, and the figures show that addiction levels went through the roof. Since the Swedes have taken a harder position, addiction has fallen dramatically. Yes, there have been some increases, but they are in line with other increases in the west following the advent of crack cocaine. That has changed things, but I suspect that the Swedes are better off now than they were with that liberal policy.

Paul Flynn: The right hon. Gentleman is right that there was an increase, as there was in Switzerland, after liberalisation, although that is not the case now. However, the picture over the past 40 years in Europe is clear: some forms of decriminalisation and free-for-alls are certainly not desirable and do not work. However, the sum of experience on our continent and elsewhere shows overwhelmingly that prohibition increases drug use. In this debate, we all share a common desire to reduce the consumption of every drug, because they are all dangerous. We must make decisions about their comparative danger, but as I said in an intervention, Portugal has recently achieved some interesting results in a short period. Italy, Belgium, Switzerland and Germany have also tried interesting experiments by setting aside areas in which people can use heroin in safe conditions rather than taking it in the street, as happens in this country. Such experiments clearly have significant health benefits.

Decriminalisation was introduced in Portugal. People may treat that lightly, but some offences are still in place. Prosecutions went down from 2,500 to 13, which represents an enormous saving in time for the police, the courts and prisons. The drop in the number of deaths—the worst possible outcome of drug taking—has been most impressive. They have fallen from 369 in 1999 to 152 in 2003, and are still going down. There are fewer drug users with AIDS compared with non-drug users, and the percentage has declined in both real and relative terms. The number of drugs in use also went down in both absolute and relative terms. Decriminalisation has therefore been an unquestionable success in just four years.

There is, however, a period of 25 years to study in the Netherlands, and I have spent a great deal of time looking at what has happened there. I always like to make the point that I have never used an illegal drug, and neither have I used many medicinal drugs in my entire life. I am very hostile to drugs and, having spent most of my working life as a chemist, am suspicious about the side effects of drugs, including many medicinal drugs. I do not want anyone to use any drug whatsoever if that can be avoided, but we must accept the reality of what is going on. The Bill is the most atrocious piece of populist, knee-jerk legislation in the House since the Dangerous Dogs Acts.

There is no case for taking the approach to magic mushrooms adopted by the Bill. I have been in correspondence with the Under-Secretary of State for the Home Department, my hon. Friend the Member for Don Valley (Caroline Flint), about the position on magic mushrooms, but not in my wildest dreams did I believe that that would precipitate the measures in the Bill. The Government could have done three things. First, they could have left the law alone and not touched it, even though it is absurd and irrational. If hon. Members went down on their hands and knees and grazed on magic mushrooms as they grew, they would not be committing any offence whatever. If they picked the magic mushrooms and ate them, they almost certainly would not be committing an offence. If they picked them and left them overnight, they would

be using a class A drug because there would be a change in the magic mushrooms. The present law cannot necessarily be defended, but it does no harm.

One country has recently set up legal outlets for magic mushrooms, and that would have been a sensible way forward for the Government. Instead, however, they have made a laughable decision. The hallucinogenic effects of magic mushrooms are not serious, and are not as bad as some of the side effects of over-the-counter drugs that can be bought in chemists. No one has ever been poisoned or killed by taking magic mushrooms. The Government website points out that they are not addictive in any way. They are among the mildest drugs, whether legal or illegal, that are available. Unlike those great killers, alcohol and nicotine, magic mushrooms are an entirely innocent drug and the dangers involved are not comparable. There is a market for them, and I agree that it is growing a little—there were more at Glastonbury than there had ever been before, but that meant that there was not as much ecstasy, so there was a decline in the use of other drugs. If magic mushrooms replace the use of more dangerous drugs, so what? The idea of banning them and treating them as a class A drug on a par with heroin and cocaine is ludicrous. I hope that the Government will have second thoughts, because their action cannot be justified. As I suggested in an intervention, criminalisation will certainly increase their use, as that happens with all prohibition.

Mr. Laurence Robertson (Tewkesbury) (Con): I am following the hon. Gentleman's argument about the connection between prohibition and usage. By way of analogy, would he support a ban on smoking in public places, particularly pubs and restaurants?

Paul Flynn: Yes, I would, but I very much support the use of snus. Inveterate users of tobacco who cannot give up can take that Swedish drug, which has reduced cancer deaths among males from nicotine by 50 per cent. That is one of the most extraordinary health improvements in the world. Sweden is the only country to have reached World Health Organisation targets for the reduction in cancer deaths by 2000, and it did so by encouraging people to ingest nicotine rather than smoke it. As with cannabis, the danger comes from smoking. In this country, people mix cannabis with tobacco, a dreadfully toxic addictive drug that kills.

To return to the point that I was making, one of the stronger arguments against prohibition is that in the Netherlands, after 25 years of regulated, controlled decriminalisation of cannabis, its use among all age groups is half the rate of use in this country, and it is often used in a way that avoids smoking—in a safer way, by being ingested in cakes or drinks, or in other ways.

I see two stages to the campaign: first, we must get rid of prohibition—of course, we must increase treatment; and, secondly, we must campaign with a message that is credible and that will be believed by young people. The proposal before us will be greeted with nothing but derision by the country as a whole, especially by those who use magic mushrooms. I asked the Minister a question and did not receive an adequate reply, but I believe that if we designate the magic mushrooms growing wild in our gardens and elsewhere as a class A drug, we will all possess it and we will all be open to the charges. We cannot make nature illegal. Magic mushrooms are part of the natural world. Some might describe them as a gift from God.

The Bill is an attempt by the Government to appear tough on drugs. I suggested some time ago that we could not read the manifesto of any party for the next election without coming across the word "drugs" and in the following sentence the word "tough". The Government have excelled themselves this time by ensuring that in the Home Office press release there are four "toughs" in 150 words. The clause is the *News of the World* clause. Like the campaign that was conducted by the tabloids on dangerous dogs, the *News of the World* has a campaign and the Government react. Dogs bark, children cry and politicians legislate. I urge the Government to stop taking the tabloids. They would do well to stop pandering to the lowest common denominator of public opinion.

Mr. Jon Owen Jones: My hon. Friend says the Government are pandering to public opinion, but I am not sure that is the case. Public opinion is not the same as the majority view expressed in Parliament. I recall one of the tabloid papers—*The Sun*—running a campaign against cannabis and inviting its readership to express their opinion. The readership overwhelmingly deplored the opinion of *The Sun* and said that cannabis should be made a legal substance.

Paul Flynn: I stand corrected. What I meant to say, and what I think I did say, was the lowest common denominator of public opinion. All the informed groups that have reported on drugs and all the committees that have met, including our own Home Affairs Committee, have urged reform along the lines that I support, rather than along the lines that the Government and the Opposition support. That is telling.

I remember the day in 1998 when we set up the drugs tsar. There was unanimity among those on all the Front Benches, which is always a certain sign that the Government have got a policy wrong. Only one Member spoke against the drugs tsar with his preposterous posturing and his idiotic targets of reducing the use of some drugs by 25 per cent. and even some by 50 per cent. I was disappointed with the answer I received when I asked the Minister the difference between drug use now and in 1998. He gave one figure that related to 1998. Readers of *Hansard* will notice that all the other examples he gave had nothing at all to do with 1998. He mentioned a few years selectively.

Since 1998—indeed, since 1971—there has been a huge increase in the use of drugs. It has been gradual, and occasionally the figures have gone down a little, but the overwhelming trend in use has been upwards and the trend in price has been downwards.

Mr. Evans: I thought Keith Hellawell was a very good drugs tsar. Sacking him sent all the wrong signals. That was the point at which the direction of Government policy on drugs such as cannabis went wayward. The hon. Gentleman's thesis is that if only we were to legalise drugs, the problem would go away. If the solution was as simple as that, it would have been done many years ago and in many countries. The fact that that has not happened disproves his case. We need to get the message out and send the right signals, particularly to young

[Mr. Evans]

people, that the drugs that the hon. Gentleman wants to legalise and make freely available on the streets are killers.

Paul Flynn: The hon. Gentleman speaks as a seller of tobacco. Perhaps I could tell the House that he persistently invited me to visit a club in the west end of London with which he was acquainted in some way. People there greeted him with the words, "Hello, Nigel" and me with "Hello, Mr. Flynn". As members of the House of Commons drugs misuse group, we went to inspect the drug precautions in the club. We inspected every floor and every area of the club, we saw the cameras, and everything seemed to be entirely in order. People there were very pleasant to us and explained what a wonderful drug policy they had. A fortnight later came the news that that club had become the first one in Britain to be shut down because of the open and blatant sale of all illegal drugs. I think it was called "Home" in Leicester square. It was useful to gain from the experience of the hon. Gentleman and visit his club.

Mr. Evans: Not my club!

Paul Flynn: The hon. Gentleman was well known there. His fame must have gone before him.

The Bill is another example of evidence-free legislation. All the organisations that have any merit have criticised the Bill. Drugscope, which represents more than 900 agencies, is highly critical, as is TurningPoint. Lord Victor Adebowale said:

"We need to focus on making current treatment programmes more effective, not dreaming up new offences to shovel people into the system. Instead, we see both the Conservative and Labour parties in a pre-election pantomime trying to prove who's toughest on drugs."

Absolutely right. Release said:

"It is a matter of concern that some of the best and most creative elements of the government's drug strategy are becoming distorted by virtue of misguided attempts to placate populist criticisms to the effect that it is insufficiently 'tough on drugs'."

Last week I attended the World Health Organisation's conference on mental illness as a representative of the Council of Europe. It was a ministerial conference and one of the main issues before us was a report from the European monitoring centre on drugs and drug abuse. The figures for what they call co-morbidity and we call the dual diagnosis were frightening. The report quoted 80 per cent. of people with serious psychiatric problems also having serious problems of drug dependency. There is also a problem with smoking. A huge percentage of the people in mental hospitals are smokers, a far greater proportion than among those who are not mentally ill.

Over the years, unanimity among all parties in the House on a Government policy has meant that it has not worked. We accept the increase in the number of cases of rehabilitation and treatment. My hon. Friend the Member for Bassetlaw (John Mann) is an expert on the subject. Treatment usually means abstinence, and it is coerced abstinence, which is never very effective. If it is voluntary abstinence, there is a good chance of people coming off the drug, but there is a dreadful failure rate for those involved in drug treatment. It is no way of taking people outside the system.

We should consider what every group has suggested. A report was prepared by the group that advises the Prime Minister, suggesting that we should take a different line. In a splendid report, the Home Affairs Committee suggested that we try at least one intelligent idea that has been used successfully throughout Europe: users rooms for people who are inveterate addicts and who have been on programmes of rehabilitation and assistance for a number of years. I visited one of those in Amsterdam, and it was dealing with 400 addicts. Those people were unlikely ever to get off drugs, but the programme allowed them to use drugs that were clean, of known strength, and under circumstances in which there is assistance in case of trouble afterwards. An IT programme is provided, and those involved publish their own newspaper and have support. Many of them go back into the world of work and are rehabilitated. There is even a home for geriatric heroin users in Amsterdam, which we do not have here. Sadly, our addicts tend to end up on the streets, taking heroin of unknown strength and purity in unhygienic conditions, with dirty needles, and they have a short life span.

We used to have a system in this country, before the 1971 Act, in which those people who were addicted to heroin could get hold of it from the national health service. That was contained, it worked, and there were virtually no deaths. Many of the people involved became addicted during the first world war through the use of diamorphine in battlefield surgery. One woman who took heroin in that way was the author of the book, "National Velvet". She was taking a prodigious dose of heroin, and eventually died in her bed, at the age of 91.

Under our current system of prohibition, however, addicts are unlikely to see a full life. It is not the drug that is killing them—that is not to suggest that it is not dangerous—but the drug laws passed by us in the House. We will place an increased burden on those with mental illness—we are doing it, and the decisions cannot be pushed off to anyone else. In many cases, people sincerely believe that prohibition is working, although I cannot understand why, given that it has been shown over and over that it is not, and that it makes matters worse. There is also an element of populism: we are unlikely to get a sensible change with an election in view. Sadly, an attempt to gain popular appeal is very much what lies behind the Bill.

Mr. Tom Harris (Glasgow, Cathcart) (Lab): I apologise to my hon. Friend for not being in the Chamber to hear the beginning of his comments. He claims that prohibition has resulted in increased drug usage, yet the legalisation of alcohol has also led to a massive increase in alcohol consumption. Can he comment on that in relation to his analysis?

Paul Flynn: When alcohol was prohibited, the use of alcohol decreased, but people moved from drinking beers to drinking distilled spirit—moonshine—the alcohol content of which was difficult to control, and it was toxic in many cases. There was also an increase in drug deaths. The worst effect, however, was the creation of empires of crime, with the result that an illegal market supplied the product. That went on for 13 years and then came to an end. At the same time, around 1920, the drugs that are illegal now became illegal throughout

the world. A right-wing evangelical group in America spread their message throughout the world. We did not prohibit alcohol, but we did prohibit cannabis, heroin and cocaine, all of which we used as medicines for years before that, which had been doing little harm. The use of those increased, and the people in America who were selling moonshine moved on to selling illegal chemical drugs.

If any Government wanted perversely to cause problems, they would decide that khat, which was mentioned earlier, and magic mushrooms should become class A drugs. The results, as I mentioned in an intervention, are absolutely certain. I have a large Somali population in my community, and khat is undesirable. It is not on a par with many legal drugs. It is chewed, and has a certain effect whereby people end up with a headache in the morning. It is not hallucinogenic, but it is undesirable because people waste a lot of time doing it. Many of the elders in the Somali and Yemeni communities are opposed to its use. It has been used in the Yemeni community in Cardiff and the Somali community in my constituency for 100 years. If it is made illegal, as the Government hinted that it would be, along with magic mushrooms, the immediate effect will not be reduction in its use; instead, it will become attractive, as it will have the appeal of forbidden fruit. There will be illegal users, the price will go up, and the profits will go up. The Government will therefore give an incentive to an entirely new illegal market. It could move from being a minor drug used by very few people to one that is used as greatly as many other drugs.

Mr. Jon Owen Jones: Illegality does not destroy the market—I am surprised that the Tory Front Bench team does not understand the market—it still exists, and competition always exists within a market. In an illegal enterprise, the only way in which people can compete is to use violence against their competitors. Because they are in an illegal market, their competitors cannot go to the police for protection from the violence being used against them. A pattern of increasing violence therefore results. That is exactly what happened in America during prohibition, when the murder rate skyrocketed, and it is what is happening today in our inner cities, where crime is being fuelled by an illegal drugs market.

Paul Flynn: Another example of the unreality of our world is that we are signed up to a United Nations programme that is being run under the deluded battle cry, believe it or not, of "A drugs-free world, we can do it". It claims that it is "on target" to eliminate all coca, cannabis and opium cultivation by 2008, which is a delusion of Olympic proportions.

We should consider what America has done with Colombia, as we are about to repeat the same process in Afghanistan—we are about to Colombia-ise that whole section of central Asia. In Colombia, for 30 years, America has been destroying the crops by spraying, wrecking the livelihood of people living on less than a dollar a day. That has not worked, and world consumption of coca and all drugs has increased. In Colombia, there has been a slight decrease in production, but that has been replaced by production in Bolivia and Peru. Colombia is in continual bloody chaos, with three armies fighting a civil war.

John Mann: Is not the history of Colombia that cocaine production only began there in 1975, that before that there was no Colombian cocaine production, and that cocaine production in Colombia was begun by both right-wing and left-wing extremist factions to fund their activities, rather than the other way round?

Paul Flynn: Coca, of course, has been cultivated for at least 1,000 years, and was used mainly by people in Bolivia as an appetite suppressant and to counter altitude sickness. They chewed it, and western man—it almost certainly was a man—discovered that if coca is taken without the process of chewing, thereby avoiding contact with saliva, it is a hallucinogenic drug. We are trying to solve the problems that we have on the streets of Birmingham, and which the Americans have on the streets of Chicago, by wrecking the economies and the peace of third-world countries.

Mr. Evans: Just over a year ago, I visited Colombia, where I met British police officers who were liaising with Colombian security forces to help them tackle the drug problem. Surely we should not give up and allow Colombia and other countries to grow cocaine and other drugs. We should examine other countries—the hon. Member for Newport, West (Paul Flynn) has mentioned Peru and Bolivia—and obtain the same sort of co-operation between them and countries that live under the scourge of drugs, such as the United Kingdom, the United States and others, to ensure that we spread the co-operation that we extend to Colombia.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. We are moving away from the core of the Bill and into a discussion about Colombia, and we are in danger of repetition. May I say to hon. Members who want to catch my eye that ever-longer and more frequent interventions are not helping the cause?

Paul Flynn: The United States has led the world to believe that harsh prohibition by fighting and by spraying crops will somehow reduce the problem. My point is that prohibition increases the problem. The only way in which to collapse the illegal, irresponsible and criminal markets in this country and in most other countries is to replace them with legal, regulated and controlled markets. Nobody is asking for a free-for-all that would expose people with children or people with mental health problems to drug use.

A legal market reduces the need for control. To a great extent, that is what has happened in Holland, which accounts for the success of its policies over 25 years. Drug use by children is not a problem in Holland. Policing is much easier if one allows balanced adults to make their own choices. We would not dream of prohibiting alcohol or tobacco, although they do a great deal more harm and are more toxic and addictive than other drugs.

Mr. Laurence Robertson: Drugs are illegal in this country, and they would have to be legalised if we were to end up where the hon. Gentleman wants us to end up.

[Mr. Laurence Robertson]

Legalisation would surely send out a message. We should learn the lesson from lowering the classification of cannabis, which sent out a message that confused young people, many of whom thought that cannabis had been legalised. This place is not only about passing laws, but about sending messages.

Paul Flynn: In the eyes of most of the population, cannabis is legal now. In practice, my local police force and most police forces treat cannabis as though it were a legal drug. They do not waste time arresting people and taking them to prison, and they certainly do not waste time dealing with people who take cannabis as a medicine. Young people have made their own decision, and public opinion is in advance of that in the House—we are behind. People see the use of cannabis in the same way as the use of tobacco or alcohol, both of which are undesirable.

Members of Parliament are a group of people who have had no experience of drugs in our youth, except for certain Conservative and Labour Front Benchers. The Home Secretary has said that he used cannabis in his early life and the shadow Chancellor has also said that. That strengthens the argument that cannabis is the start of a slippery slope. If one starts on cannabis, one ends up on one or other of the Front Benches, which is marginally better than the gutter, I suppose.

We should follow the policies that work. America should not be used as a model. In America, 2 million people, most of them young blacks, are in jail for soft drug use. When I entered this House, 40,000 people in Britain were in jail. Now 70,000 people are in jail, most of them for drug offences, which are no more dangerous than taking many other ordinary drugs.

Now we have this awful knee-jerk legislation. I never thought that I would say this in the House, but I hope that the revising Chamber will have the good sense to sabotage, wreck and obstruct the Bill in any way possible. At least the House of Lords contains one ex-heroin addict, who can talk from a great deal of experience. The Front Benchers were reticent when they discussed the Bill. Turning magic mushrooms or khat into drugs that are treated in the same way as cocaine and heroin is a crime-creation measure, and we cannot go ahead with it.

The market is chaotic and out of control. The vulnerable people who are hit hardest are those who have the dreadful misfortune to suffer from a psychiatric illness and to have a drug problem. They are more exposed to illegal pushers than they would be if they lived in a country in which drugs were decriminalised, because it would then be much easier to concentrate on their protection. We must seriously examine the harm caused by drugs, which includes an increasing number of deaths, and the increasing use of drugs by psychiatric patients. The buck stops here. All parties have made wrong decisions on the matter since 1971, and the result has been a vast increase in the abuse of all drugs.

2.16 pm

Mr. Alistair Carmichael (Orkney and Shetland) (LD): It is a pleasure to follow the hon. Member for Newport, West (Paul Flynn), who made an interesting and thoughtful speech—I agreed with some parts of it and disagreed with others. I was particularly struck by his description of the Bill as one of the most dangerous, populist and knee-jerk Bills to come before the House since the Dangerous Dogs Act 1991. If he considers the content of the past few Queen's Speeches, he will realise that he is setting himself an exceptionally high standard.

In all fairness, although the Bill is a good attempt, the Government have not quite managed it. It has more than a whiff of populism about it, and, as the hon. Member for Newport, West observed, the timing, coming as it does in the run-up to an expected general election, is no coincidence. That is unfortunate because, as other hon. Members have observed, drugs are one of the most serious and profound scourges to affect many of our communities. Although today's debate has been good and has ranged fairly widely, the communities that we serve deserve better.

It is an established fact that the United Kingdom has one of the highest rates of illegal drug use in Europe. Some 4 million Britons report using illegal drugs in the past 12 months, and the crime associated with illegal drugs costs society £16 billion a year. No community is immune from drugs. Because of its geographical remoteness, my constituency is often seen as being somehow safe from some of the worst social ills faced by metropolitan communities. Although it is certainly true that we do not suffer the same problems to the same extent, in my constituency, and particularly in Shetland, a growing pattern of hard drug misuse is emerging. We have seen drugs deaths, which would have been unthinkable 10 or 15 years ago.

Before I entered this House, I was a solicitor in criminal court practice working along the Moray coast and in Aberdeenshire. I have seen heroin take a grip on fishing communities such as Fraserburgh and Peterhead and the damage that it has done to them. Those areas have a strong sense of community, which should have afforded them some protection, but such is the strength of the threat that it has not done so.

Unlike the Conservative party, Liberal Democrats do not oppose the Bill, but we can see room for improvement.

Mr. Clapham: The hon. Gentleman says that the strength of the communities that he represents has been undermined by heroin. Has he asked his CDRP—crime and disorder reduction partnership—whether it has done any recent research in relation to the audit that it will carry out, and does it show that there has been a decrease in heroin use?

Mr. Carmichael: To be quite clear, I said that there was a growing hard drug misuse problem in my constituency. It would be overstating the case to say that we have yet been undermined in the same way as some of the other communities in which I worked previously but do not represent. Heroin may have reached Shetland, but as far as I am aware, CDRPs have not yet reached our shores, although we may have similar organisations. The police and other social agencies in my constituency tell me that they are increasingly concerned about the growing use of hard drugs, particularly heroin. We may be five or 10 years behind the rest of the country in this respect, perhaps because

we are better able to stem the flow of drugs into the community because of the limited number of entry points into places such as Shetland and Orkney. That is an obvious geographical advantage.

It is curious that much of the Serious Organised Crime and Police Bill does not deal with serious organised crime; yet clause 20 of this Bill amends the Serious Organised Crime and Police Bill. That gives rise to a little cynicism.

The provisions in clause 1 seem acceptable on the face of it, although some scepticism was expressed by the Secretary of State's Back Benchers, who perhaps know more about the extent of the problem that clause 1 addresses. Certainly, aggravated supply was not a phenomenon that I came across in the years that I spent in prosecution and defence in criminal court practice. If we accept that there is a mischief, the manner in which the Government are dealing with it may not be as clever as it could be. The fact is that supplying in the vicinity of a school is already illegal, as is supplying anywhere. It is already illegal to use a courier, because they would be guilty of being concerned in supply under section 4(3)(b) of the Misuse of Drugs Act 1971. Why is the age limit of 18 stipulated for couriers? Why not 16? If the Government are to be consistent in their logic—although it is not necessarily to be commended—surely a 16-year-old school-leaver should be caught, as well as an 18-year-old.

If the procurator fiscal or the Crown Prosecution Service are on the ball, all such information should be put before the court as things stand. We should not insert a new section into the 1971 Act to say that age is an aggravating factor without determining the extent to which the sentence is to be aggravated, as happens with bail offences in Scotland. If an offence is aggravated by being committed on bail, the sheriff or judge has to make clear the extent to which that aggravation is reflected in the sentence. That is a rather more sensible way in which to proceed.

Dr. Iddon: Does the hon. Gentleman accept that whatever age limit we set, criminals will use even younger children? When I worked with Greater Manchester police on the police service parliamentary scheme, I found that children as young as 12 and 13 were conveying drugs around the Longsight and Moss Side areas of Manchester.

Mr. Carmichael: I fear that the hon. Gentleman is absolutely right and that that practice will arise. That reinforces my suspicion, further to the point made by the hon. Member for Newport, West, that the Bill owes more to window-dressing than to dealing with the problems that arise from drugs use associated with people of school age.

I have a less friendly interpretation of clause 2. Clause 1 is unnecessary, but clause 2 is potentially very dangerous. The Minister will be aware that case law already says that where the court is satisfied that the quantity of drugs alone is such that it can draw an inference of intention to supply, a conviction can follow. The Home Secretary said that different quantities would be specified in relation to different drugs. That is true, but I hope that he accepts that there will also be differences between what constitutes a dealer quantity, so to speak, in different parts of the country. An amount that would be a dealer quantity in London might differ from what would be the case in Birmingham, Glasgow, Edinburgh or Aberdeen. We will have to find some means of pulling all those different levels together, probably to the lowest common denominator, into one statutory instrument—but for what purpose? It will not leave the prosecuting authorities in any better position than that which they are in at the moment.

The danger is that a police officer who is inexperienced or not as well supervised as is desirable will find somebody in possession of an amount of drugs that is, say 2 or 3 g less than the prescribed level, and say, "We've not got enough for possession with intent to supply under section 5(3) of the 1971 Act, so we'll do them for simple possession under 5(2)." In that situation, the evidence will not be properly considered, even if it is possible to set the level in the way that the Government seem to anticipate.

As for clauses 3 and 4, it is only right that we acknowledge the practical problems that the police and other investigating authorities face in relation to people ingesting drugs, and we should try to tackle that. However, I should like the Minister to assure the House that the provisions will be used fairly sparingly and will be genuinely limited to those who are suspected of dealing and trafficking, and that meaningful safeguards will be in place to ensure that they are not used against those who would at most face charges of possession, not supply. I am thinking back to my experience as a prosecutor of having police officers coming to seek warrant applications in relation to supply allegations although all that was eventually found was a very small amount that would at most support a simple possession charge.

With regard to clause 3(5), which inserts new section 13A in the Police and Criminal Evidence Act 1984, I am uneasy about the court's right, in relation to a refusal to undergo an intimate search, to

"draw such inferences from the refusal as appear proper".

Presumably those would be adverse inferences. I am not sure what is meant by the form of words that the Government have chosen to use. I hope that where such an inference is drawn it will not be akin to a presumption of guilt. As the Minister will be aware, the Home Office's own statistical bulletin shows that there were positive results in only one in seven of those who were subjected to intimate searches in 2003–04.

I am also uneasy about the right to hold people for up to 192 hours. Again, I want assurances from the Government that the provision would be used only when an X-ray or a scan shows that ingestion of some sort has taken place and some higher test than mere suspicion has been applied. If it has been established that a substance has been ingested, for example, a powdered substance in a condom is often mentioned, holding people until, one way or another, it is out—if I may put it that way—is sensible; otherwise, there is always a risk of the vessel that contains the powder bursting and the person in question suffering an overdose. I understand the force of the provision but I would like some reassurance about the guidance that will be given.

We have concerns about the provision for testing for class A drugs on arrest rather than charge and believe that it could be open to misuse. However, we will go

[Mr. Carmichael]

along with it for the moment and simply say that the proof of the pudding will be in the eating. We can judge it to be a success if it leads to a greater number of people who complete treatment. I hope that it might be used to develop arrest referral procedures. Although that is a voluntary scheme, it has great potential that has not yet been realised.

We shall try to explore several issues in Committee. We want to examine the way in which the results of testing and arrest will be used and the guidance, especially for police. Could any evidence that is adduced be used in relation to further, unrelated charges? We would also like some examples of the guidance that will be given to the police to ensure that testing for class A drugs on arrest is not used arbitrarily or oppressively, in the way that is sometimes suggested that stop and search has been used.

We broadly welcome intervention orders, for which clause 20 provides. In the spirit of co-operation that the Home Secretary mentioned, we are prepared to work with the Government to ensure that the orders can be made as easily workable as possible.

Let me deal briefly with the so-called magic mushrooms, which clause 21 covers. We must accept that the current position is anomalous but I am worried about designating those substances as class A. It is unrealistic to suggest that they are on a par with heroin and crack cocaine. It is the sort of provision that brings the drugs laws and this place into disrepute because it lacks credibility in the outside world. It is an example of the need to reconsider the classification of proscribed drugs in the way in which Runciman outlined.

There could also be legal difficulties about possession. A landowner who has substances growing on his land and knows about it fulfils the tests of knowledge and control that constitute possession under section 5(2) of the 1971 Act. If the Minister can provide an alternative explanation, I shall be interested to hear it. I wonder if the clause will prove to be the provision that puts into clink the remaining country landowners who have not already put themselves there by refusing to stop hunting.

The Misuse of Drugs Act was passed in 1971. It is ironic that we tend to revisit road traffic legislation every 10 years, yet we have had 33 years during which the 1971 Act has been largely unrevised in anything other than a peripheral and piecemeal manner. A comprehensive overview and re-examination of misuse of drugs legislation is long overdue. It is profoundly regrettable that the Bill is not that comprehensive re-examination. On the basis that half a loaf is better than no bread, we will support the Bill but look for something more in the future.

2.34 pm

John Mann (Bassetlaw) (Lab): The Bill, although limited in scope, contains one provision that, slightly amended, would provide a tremendous opportunity to enhance drugs work throughout the country. I shall deal with that in some detail later.

The underlying problem in our debates about drugs is that we talk about drugs in general rather than the different types. If we were discussing cancer care, hon. Members would talk about the range of such care. For example, the diagnosis and treatment of skin cancer cannot be equated with that of liver cancer. Nobody would contemplate not differentiating in a debate on funding and organising the health service to tackle the problems of cancer. We do not do that when we discuss drugs, yet there is a great range of different drugs. We discuss the treatment for heroin as if it is the same as that for cannabis, anabolic steroids or cocaine. The treatments are different—sometimes there is a crossover, but sometimes they are entirely different. That is one of the big weaknesses in our approach to drugs.

Let me consider the specifics of the Bill. Clause 1 mentions the "vicinity of a school". When I conducted an inquiry in my constituency, 3,000 constituents wrote in and gave evidence at my instigation. More than 200 expressly made allegations about drug dealing outside the school gate. They were highly precise and they named individuals. That was a major cause of concern, especially for parents. It is obviously something that a Member of Parliament would pick up. I therefore methodically spoke to those people and found that they were wrong. Their thoughts were not wrong but they were wrong to suggest that there was evidence. They all had an anecdote but none had evidence.

I went into schools on many occasions to discuss the issue with pupils, especially but not only sixth formers. I asked them about drugs in school, at the school gate and outside the school. It would be accurate to summarise their response as deriding my suggestions. A comment was often repeated: "Why do you think we'd be stupid enough to buy or sell drugs in or just outside school? If we want drugs, we know where to get them and we'll get them. These are the kind of places where we'll get them." Parties were especially mentioned, but also premises where drugs would be supplied from time to time and individuals who were known to possess specific types of drug.

There was fairly widespread knowledge, especially in some schools, about who could supply drugs, and indeed who should be avoided. However, the idea that people would bring drugs into school or that dealers would wait at the school gate was laughed out of court. That was a great surprise to me, because although I did not believe that the problem could be tackled easily, I presumed that it could be highlighted and that something could be done about it. Only one incident could be found in police records, and it occurred significantly nearer my office than any school. Indeed, it was nowhere near a school gate. We need to consider what we mean by

"the vicinity of a school",

particularly in the light of the proposal from the hon. Member for Ribble Valley (Mr. Evans) about aggravation in relation to sale to a minor. Whether we refer to any changes as strengthening or altering the law is really a political point, but we should be more precise.

We should not give a false impression to the population at large that drugs are a major problem in and around schools. My contention is that that is not the case. Drugs in the community are the problem, not drugs in schools. These measures give our schools a bad name, and if we do not analyse the real problems, the solutions that we as legislators introduce will be the

wrong ones. I therefore strongly recommend that the Government reconsider not the principle of what they are trying to achieve but whether their proposals will in fact achieve it. I do not think that they will.

My second point relates to drug testing, of which I am totally in favour. Indeed, I might go even further than the Government in this regard. Drug addicts, particularly heroin addicts, repeatedly say to me, "Test us, stop us, force us, coerce us into treatment." There is obviously no opposition from the general population to compulsory drug testing, but the drug-using population in my area also supports it. It could also be extended to drug users returning to work. The testing might need to be voluntary in those circumstances, but not necessarily. Large employers in my constituency who refuse to take people on who have a criminal record for theft—which nearly always relates to their having previously been a drug addict—would do so if drug testing were available to them.

I am suggesting that there should be compulsory drug testing, and that people with a criminal record for theft or for drug addiction who apply for jobs should accept that as perfectly reasonable. What form should such a system take? There is an important opportunity for union negotiation in this regard. I am involved in discussing with certain unions the possibility of establishing a fair and appropriate system that would give people the chance of re-entry into the workplace.

The testing proposed in the Bill is a separate issue. The provisions talk about class A drugs, but I want to ask the Minister why we should not include class B drugs—especially amphetamines—as well. The problems caused by amphetamines are as great as those caused by cocaine, crack cocaine and heroin. They do not cause the biggest problems here—indeed, they are quite a small problem in my area—but amphetamines are the major problematic drug in countries such as Australia.

Mr. John MacDougall (Central Fife) (Lab): Glasgow council and Central Fife council have introduced a system of drug treatment and testing orders, which offer an alternative to imprisonment for people indulging in drugs. They are given the opportunity to rehabilitate rather than go through the judicial system. Does my hon. Friend agree that that would be of benefit?

John Mann: I commend that approach as more effective and more cost-effective to the taxpayer.

To return to the classification of drugs, I believe that the whole range of amphetamines should be reclassified as class A. I would like, however, to suggest an even better system. There should be three classes of drugs. The first should contain those drugs that are legal but damage people's health, such as nicotine, alcohol and certain over-the-counter drugs. Such drugs are likely to cause damage to people's health but not to the rest of the community, although perhaps we could argue about alcohol in that regard.

The second class of drug should include those illegal drugs that happen, conveniently, to be in class C at the moment. It should be made explicit, however, that they can damage people's health but taking them is unlikely to lead to anyone taking action that would damage other people. In my view, it was right to reclassify cannabis as a class C drug, although I come to this argument from a slightly different angle from the Government. Cannabis can cause significant damage to health but it does not lead to people behaving in a way that would cause damage to others.

The third class of drug should contain those that we now call class A drugs—there would need to be some changes in the classification, involving the total removal of class B—which damage people's health and are likely to lead them take action that would damage the community. We know that people who take cocaine and crack cocaine regularly are likely to be more violent. We also know that people who are addicted to heroin are likely to steal to feed their addiction. Amphetamines fall into both the second and third categories, which is why I feel they should have a higher classification.

Those should be the three categories of drugs: two containing illegal drugs, the third covering legal ones. Some of the non-debates that we have about cannabis—we seem to have an obsession with cannabis—could be conducted in a more constructive context if that were the basis of drugs classification, because that is the basis on which we police those drugs, and rightly so. It also ought to be the basis on which we resource action against them. The highest priority ought to be given to those drugs that will cause damage both to people's health and to the rest of the community.

Mr. Clapham: I hear my hon. Friend's proposal for the three classifications. Will he accept, however, that a cannabis user who also drinks can present a real problem so far as antisocial behaviour is concerned? Part 4 of the Bill introduces the means of tackling such problems. In my community, cannabis dealers have been dealing to young people who have then gone out drinking. The drinking has fuelled antisocial behaviour and caused huge problems. We need to bear it in mind that there is a crossover point.

John Mann: I am no supporter of being weak on cannabis. It is a very dangerous drug in terms of the health ramifications involved in its use. I am not sure that it is the cannabis that is causing the antisocial behaviour in my hon. Friend's constituency, however—I have seen no evidence that it can do so—whereas excessive use of alcohol is clearly directly related to antisocial behaviour and other criminal activities. This is the only lack of logic in my argument. We could say that there should be two categories of legal drugs. The important point, however, relates to illegal drugs. We should place drugs that damage people's health in one category, and those that also make it likely that their user will cause damage to the community in another. That would allow us to have a much more effective debate and to take more effective action on drugs.

My third point on the contents of the Bill is by far the most important. A slight amendment would give us the opportunity to revolutionise drugs treatment, particularly for users of heroin but also for users of other drugs such as amphetamines. My proposal relates to the definition of assessors and follow-up assessors. The biggest weakness in drug treatment in Britain is without question the vagueness of the assessment procedure. Unless the Government are proposing any changes in this regard—I do not see any in the Bill—an assessor or a follow-up assessor may come from any of

[John Mann]

a whole range of professions. A psychiatry student straight out of university could be asked to make an assessment of a person's drugs treatment, for example. That is my experience, and that, in my experience, is why so much drug treatment in this country does not work.

The situation in my constituency is fascinating. Two areas are particularly unsuccessful when it comes to drug treatment. The figures are astronomically different. One small area, Worksop, is covered by Mansfield primary care trust, which does not regard drug treatment as its responsibility—it believes that primary care should not be taking the lead. The same applies, incidentally, to all other Members' local PCTs. As far as I know, the only PCT in Britain that takes a lead is Bassetlaw. My constituents in Worksop with drug problems go and see, perhaps, a young psychiatry student just out of university, who tells them "You have a drug problem," and refers them on—and on, and on. Those who live in Bassetlaw go and see a GP. They do not see just any GP. They do not see the GPs people living in Worksop and Mansfield might eventually see—GPs who do not get jobs in practices when they apply for them. The GPs in Bassetlaw are highly professional, and people living there go and see them, unless they are subject to drug treatment and testing orders.

If someone has a DTTO, a probation officer makes the decision. The only constituents in Bassetlaw who do not manage to see a GP for drug treatment are those with DTTOs. Some do, but not all do. A probation officer can look me in the eye and tell me what drug treatment should be given—what substitute drug should be prescribed, and what the dosage should be. That is the system that we have in Britain. That was the mess we had in Nottinghamshire, and still do in some parts of it. That, indeed, is the mess that we have in most of Britain.

Were we to include in the Bill the modest proposal that the assessor could be the local GP—or, far better, should be, but I think the response would be that the health service is not quite ready for that—it would provide an opening to a drug treatment service that would work in most parts. Sweden has now moved away from residential rehabilitation, which is not particularly successful, and towards a GP-led service that is highly coercive. Someone caught with drugs in Sweden can be put straight into a secure unit—it is called a hospital—with locked doors. They will stay for five days, and when they come out their GPs will treat them. I would love to see that system operating in Britain. Sweden resources it very well.

Although the Swedish system is not residential rehabilitation—one of the Opposition parties seemed confused about that—it is coercive, and it is compulsory. The parents of young people must accompany them to counselling sessions, and I think we could adopt that model as well. In my area, coercion is not the problem with DTTOs—quite the reverse: the problem is the treatment modality.

Two years ago, only two people in my area were being treated by a GP. Today the figure is about 320. I do not have the precise figure, because it is rising daily. Virtually no one has dropped out: the drop-out rate is no more than 2 or 3 per cent. The figure has been rising for 18 months, so this is not a flash in the pan. Strangely, crime has fallen during the same period. The average number of burglaries in west Bassetlaw is down from 80 to 20 a day. I believe that that is the biggest fall in acquisitive crime in Britain. I stand to be corrected, but that is what the police tell me. The reason is simple: all the drug addicts who were doing all the thieving, burgling and shoplifting, or at least a significant proportion of them, are now having treatment.

There are other benefits to the economy. Some of those people are returning to work, and instead of being benefit recipients they are becoming taxpayers. They are contributing to society. I think that that is a rather good definition of rehabilitation. People can go to their own GPs in their own communities. What is the first thing most of us do when we move house? We register with a GP. In a sense, that defines living in a community. It is wrong that a person's own GP should not be prepared to treat that person for an illness that is having an impact on the rest of the community. More than just medical treatment is needed from GPs: psychological treatment is important as well.

All the evidence from Sweden, France and Australia suggests that when people go back to work, the vast majority no longer commit crimes and do not use the drugs that were causing them problems earlier. There are other benefits. Two years ago, 173 people were admitted to Bassetlaw hospital's accident and emergency department following drug overdoses; in the past 12 months, 39 have been admitted. The situation is much better for my constituents, who no longer see so many drug addicts clogging up the accident and emergency queue, and it means a phenomenal saving for the hospital.

There is even better news about in-patient admissions for drug-related illnesses. Deep vein thrombosis is the main reason for a heroin addict to be admitted. Two years ago, at any one time two beds in Bassetlaw hospital would be occupied by drug addicts. Other patients stood a fairly good chance of having a drug addict in the bed next to them. That has been reduced by 400 per cent.

There is a further saving to the health service. The hospital's main worry was that drug suppliers—friends of patients, rather than dealers—would go on to its premises to provide heroin or amphetamines for their friends. That is now a very small problem, because hardly any addicts are occupying hospital beds. The most startling development, although it is not one that most of the community is bothered about—it mainly concerns the mothers and families of addicts—is that whereas two years ago there were 11 overdose deaths, there has been none in the past 12 months. Those statistics are not mine—they are official, although that does not necessarily mean that they are undeniable. Because they mirror what has happened in France, Australia and Sweden, they should dictate what we do here, especially when it comes to treatment for heroin addiction.

I recently met the prisons Minister, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins), who told me that the Prison Service was adopting essentially that approach. I am pleased about that, because it is the right approach, but it should be built into the Bill, because giving assessment duties to probation officers or drugs workers—whatever that means—constitutes a fundamental weakness. We

should be methodically beginning to ensure that whatever treatment is provided is under the control of a person's GP. If a GP wants to refer someone for residential treatment for a week, a month or six months, that is excellent if it is appropriate for that person. If GPs want to involve specialist mental health care, as those in my area regularly do, they should be able to. The GP should be the pivotal point in the treatment. That is the big difference between us and countries that have been far more successful with drug treatment.

Modest though the Bill is, with those slight amendments it could put real pressure on the health service to deliver. The levels of crime reduction and health improvement that we are seeing in my area could then spread to the rest of the country.

2.59 pm

Mr. Nigel Evans (Ribble Valley) (Con): It is a pleasure to follow the hon. Member for Bassetlaw (John Mann), who has been interested in drugs policy for as long as I have known him. He has looked at best practice in a number of countries that he has visited, identifying where things are going right and where they are going wrong. We should all be looking for examples from around the world, although we may not be able to replicate them exactly because ours is a different society. Some countries can do things that we simply could not replicate here because our culture is somewhat different, but it is still important to take note of those countries that have got it right, and to see whether we can take the best of what they do and put it into practice.

I agree that the Bill, which I shall certainly support, is modest, and we should try to improve it and strengthen it in Committee. This is an opportunity to see exactly what we can do to improve the quality of life of everybody in this country who is dogged by drugs in some way or other: those who are personally hooked on drugs and who want to get off them; the families who suffer as a result; and the wider community, which suffers because of the drug dependency of certain individuals. We need to tackle that problem and although the Bill is a step in the right direction, we can take some further tentative steps to ensure that it is more effective.

I should clarify what the hon. Member for Newport, West (Paul Flynn) said about our visit to a club over a year ago.

Mr. Carmichael: Stop digging.

Mr. Evans: Indeed, and if Members can hear an echo reverberating, it is because I am at the bottom of the hole in question. As well as being a former chairman of the all-party group on drugs misuse, I am also a vice-chairman of the all-party music group, and it was in the latter capacity that I, along with the hon. Gentleman, was invited to that club. The hon. Gentleman made it sound as though I was a regular visitor, but that visit was the first for both of us. We were given a tour of the club and, as he said, we examined each of the several floors and the closed circuit television system, and considered the club's use of bouncers on the front door and the staff's general attentiveness. We were impressed by what the club was trying to do. Young people visit nightclubs and we want to make them safe environments for everybody. Although that club's policy—as shown to the hon. Gentleman and me, at least—was absolutely right, it clearly was not as effective as it should have been because, as he pointed out, it was closed down a couple of weeks later because of drug use and dealing on the premises. That does not alter the fact that all clubs have a duty to play a role in ensuring that their environments are safe for young people to enter, free from the scourge of drugs.

The Bill arrives against the very worrying backdrop of the United Kingdom's now topping the European league table for cocaine abuse; indeed, in that regard we have reached a level similar to the United States. UK levels are twice the average of any other country in Europe, apart from Spain. That is not a record to be proud of. An extremely worrying reported add-on is that 5 to 7 per cent. of Britons aged 15 to 24—we should remember that age group—have used class A drugs recently, with the levels in towns and cities likely to be "substantially higher".

On cannabis, the report in question says that English boys are more likely than other European teenagers to have smoked a joint, with 42 per cent. admitting that they have tried the drug. Some 42 per cent. of boys and 38 per cent. of girls aged 15 in England have tried cannabis at least once. In Greece, Norway and Sweden—Sweden has been mentioned time and again, so we should probably go there to find out exactly what is going on—the corresponding figure is 10 per cent. England also has the highest proportion of heavy users, with 10 per cent. of 15 and 16-year-old boys having smoked cannabis more than 40 times in the last year. That is a hugely worrying statistic, and drug crime is of course on the rise. Indeed, there are an estimated 1 million users of class A drugs in this country.

I agree with the hon. Member for Bassetlaw about schools. The picture is being painted of a school system completely riddled with drugs and drug abusers, but that certainly is not the case in my constituency. I am not saying that no instances of drug use have occurred during my 12 glorious years as Member of Parliament for Ribble Valley—of course they have—but the headmasters there have cracked down on the problem extremely well and have received great support from the local community in doing so. The problem does not exist in every school and classroom every day of the week, and we must ensure that that remains the case.

I support the Bill's provision on drug dealing within the vicinity of a school. One young person abusing cannabis or class A drugs is one too many, and if we can prevent that from happening by stopping dealing within the vicinity of schools, or within schools themselves, that is what we must do. I was interested in what the Home Secretary said about possible funding of drug-testing equipment for schools. All school budgets are clearly somewhat constrained these days, so in areas where the problem is prevalent, schools might want to use such equipment, which they cannot afford to buy. I hope that schools that desperately need such equipment do not fail to get it for the want of resources.

If such equipment is used and certain youngsters are found to have used class A drugs or cannabis, I hope that they will then get the counselling and attention that they need and deserve. As the hon. Member for Bassetlaw rightly said, such counselling should take place in the presence of parents. The parents will

[Mr. Evans]

obviously be greatly worried and will want to take part in the counselling so that they can learn about the problems associated with drugs. Being parents does not make them know-alls about drugs; indeed, some are worryingly ignorant of what their children get up to.

As the shadow Home Secretary said, the distinction is often made that cannabis is not a hard drug and has a "sixties" feel. However, this is 2005 and the cannabis generally available today is 10 to 20 times stronger than that available in the 1960s. It is a completely different drug. It is often regarded as being less harmful than class A drugs, but that distinction worries me. It is true that it is different, but a number of studies have pointed to the long-term effects of its use, particularly for those who start young. Indeed, I have just quoted statistics showing that a worryingly large number of young people are starting to use cannabis at a young age. Everything must be done to educate them and to get into the classrooms information on the damaging effects of cannabis and of class A drugs.

Youngsters talk to each other, so they know whether dealing is going on in the vicinity of their school. I hope that they are encouraged to give that information to the head teacher, to Crimestoppers or to another known number, so that they can play their part in cracking down on the dealers, who should be behind bars, and in saving the lives of their friends. Those who get hooked on class A drugs, or on cannabis at the age of 14, face the prospect of death. Such an initiative would give some hope that the dealers can be taken out of the system, and that such youngsters might be given the chance, which comes only once at that age, that their lives can have some meaning.

I cannot believe that the Bill has been criticised for being populist. What is wrong with populism? If introducing the measures in the Bill—along with some add-ons to stiffen it up—is popular in the country, what is wrong with that? What is wrong with ensuring that kids will not face drug dealers at the school gates, or be dealt drugs by a sixth-former? What is wrong with stopping the problem at source?

Mr. Carmichael: The hon. Gentleman is falling into the same populist trap. Such conduct is already illegal, and this provision is characteristic of much that the Government do, in that, in order to be seen to be doing something, they criminalise an already illegal act.

Mr. Evans: Clearly, dealing in drugs is illegal, but ensuring that it is viewed as aggravated if it is carried out in the vicinity of a school is absolutely right. We should send that message out repeatedly to drug dealers—that they will be dealt with in a much more severe fashion if they are caught. Also, if youngsters are being used as couriers, that must be stamped out as well. Drug dealers are some of the worst people in our society, and they will stoop to all sorts of tricks to ensure that their dirty trade continues. If they can get away with using kids to sell to kids, they will do it.

I therefore support the Bill's provisions on dealing with drugs in the vicinity of schools. The Government know that my private Member's Bill is due on 25 February. I have been accused of being populist in respect of that, too, but I do not mind. My Bill is concerned with the people who deal drugs to youngsters. As the shadow Home Secretary mentioned, it is concerned not only with dealing in schools. For goodness' sake, young people go to a number of places, whether it be pop concerts, football grounds, youth clubs or whatever—they are all over the place. Frankly, anyone who deals to youngsters should be viewed as having committed an aggravated offence. That status should not be confined to those who deal within the vicinity of schools. I hope that we can look further into that in Committee to extend the red light to wherever young people are.

My hon. Friend the Member for Buckingham (Mr. Bercow) made a compelling point about the drug testing of drivers, which is important when accidents have taken place. We should ensure that drug testing happens. Everyone knows about the dangers of drink-drivers, but the same applies to drugs. In 1984—I think that that was the date mentioned earlier—I am not sure that the methods for testing were as sophisticated as they are now; so let us look further into that matter in Committee.

Tim Loughton (East Worthing and Shoreham) (Con): Is my hon. Friend aware that, in some parts of the United States, offences caused by motorists subsequently found to be under the influence of drugs, particularly cannabis, outnumber the cases of drivers being under the influence of alcohol? Of course, drugs stay in the system for much longer than alcohol.

Mr. Evans: My hon. Friend is absolutely right. I believe that cannabis can stay in the blood system for about 30 days; the effects can certainly last longer. If that is what they are doing in the United States and it amounts to good practice, perhaps we should investigate further and find out what equipment they are using and how best to use it in this country. The United States is one of my favourite countries and the Americans know how to crack down hard on alcohol. Anyone going into a pub there has to be 21, demonstrating that the Americans know about the damaging effects of alcohol. Overall, when it comes to drugs in America, the percentage is about the same as in the United Kingdom. The US does not have such a great record on drugs as it does on alcohol.

Searches are another aspect of the Bill. I sometimes feel uncomfortable about the issue. I am often as concerned about civil liberties as the next man, and I was amused by what my hon. Friend the Member for Buckingham said about whisky in that regard. Civil liberties are important, but so is people's ability to live their lives free of the scourge of drugs. I understand why intimate body searches of those accused of concealing class A drugs must be voluntary, and I therefore understand the Bill's caution in that respect. People also have to sign up to X-rays, but they do not seem to me to be the same as intimate body searches. I would have thought that anyone suspected of dealing in drugs should have an X-ray whether they like it or not. If there is good evidence to suggest that they are concealing class A drugs, they should be X-rayed. I understand that, later in the Bill, it is made clear that

the courts can take a refusal to consent to an X-ray into account. Again, I would like to look further into the issue in Committee.

On rehabilitation, which was mentioned by the hon. Member for Bassetlaw and others, we should reflect on what happens in Sweden, where GP-led rehabilitation takes place. That seems to be right for Sweden, but we do not yet know whether it is right for the UK. We do not know whether it would work in exactly the same way. What we do know is that there simply are not enough places for the people who need rehabilitation. I believe that we have only about 2,000 places, yet we need about 25,000.

John Mann: Over recent months, a whole series of rehabilitation places have closed. Voluntary places, under the brand name of "team challenge", have been shut down because there is not enough demand for them.

Mr. Evans: If someone is convicted of a class A drug offence and sent to prison, they should not just be left in prison for whatever the term of the sentence. We need to ensure that they can rehabilitate themselves while they are in prison. Sadly, we all know of cases where that has not happened, perhaps because of shortages in resources or in the number of trained personnel required for rehabilitation. The skills required are demanding and we need to ensure that we get the right people to help those who are hooked on drugs. Whether it is done under GP referral or in residential centres, it is crucial to get the right people to assist with treatment. If we are to crack down on drug dealers and give some hope to those who are hooked on drugs, we must ensure that the places are there in some form. I hope that the Government can assure us that that will happen. There is no point in convicting people if we cannot give them the assistance that they so greatly deserve.

Prohibition has been mentioned repeatedly, but it is clearly not part of this particular Bill, as it represents tackling the problem from the opposite direction. If legalisation of drugs were the answer, I suspect that it would already have happened somewhere. It would have been seen to have been a great success and we would all be following the example. However, I suspect that the vast majority in the House and in the country believe what I believe: that if drugs are made more generally available, even through a legal system, more people will use them. My hon. Friend the Member for Tewkesbury (Mr. Robertson) referred to the signals that we send. One can only imagine the sort of signals that would be sent if we legalised or decriminalised the use of class A drugs. It would be a complete shambles. We have seen the effect of being softer on drugs in other countries and we do not need to repeat their mistakes.

On the reclassification of cannabis, I refer to the Brixton experiment. The comments of many people, from police chiefs through vicars to mums, testify to the greater availability and use of cannabis in that area since that experiment started. Let us learn the lesson. Part of my private Member's Bill deals with the reclassification of cannabis. As I said, a number of reports have been published about the longer-term effects of cannabis. We should not put it on a pedestal and say that it is okay and that only dirty class A drugs are harmful. We need to tackle all drugs.

When the former Home Secretary first appointed the drugs tsar, Keith Hellawell, I thought that it was a good decision. He brought out an annual report; we had an annual debate; and targets were set, if not always met. At least there was a focus of attention and a strategy. There seems to have been a blurring of late. We may not be able to go back to having a drugs tsar, but I hope that we can get back to having an annual report and setting targets.

I hope that the Bill will be amended to make it stronger. Pressure can be exerted—from Conservative and Government Members and others—against drug dealers, whether they are dealing with class A drugs or cannabis. We should set targets to ensure that our policies are working effectively. We must aim to clean up our schools and the places where our young people go, so as to ensure that our communities are safer and free of the fear of crime fuelled by drugs.

The Bill is a good start. It goes in the right direction, but I hope that discussion in Committee and in the other place will strengthen it and make it more effective.

3.20 pm

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): I shall touch on three issues—the national scene and the rationale behind the Bill, the local drug scene in Barnsley, and finally the content of the Bill and ways in which it might be improved.

I heard what was said by my friend the hon. Member for Ribble Valley (Mr. Evans) about Keith Hellawell, the former drugs tsar. However, the development of the Government's drug strategy since 1998 has brought good results, which my hon. Friend the Member for Bassetlaw (John Mann) described. I hope to illustrate that when I set out the improvements achieved in Barnsley through the application of various programmes within the framework of the Government's drugs strategy.

This Bill will toughen the law to reinforce the fight against drugs in our communities. The organisations DrugScope and Training Point have some concerns about that, which I share. I hope that in Committee we will be able to concentrate on the points that those bodies have raised. In particular, I hope that treatment will be improved by taking on board what they have said.

The renewed drive to tackle class A drugs has achieved good results in Barnsley already. I shall give some of the details later in my contribution, but that success has been achieved within the framework of the Government's strategy. There is still quite a long way to go, but there are signs that progress is being made and that there have been improvements throughout the community. That is why I support this Bill, although I believe that taking on board the suggestions of the two bodies to which I have referred will make it better.

All hon. Members know that drugs cause misery. They fuel crime and antisocial behaviour, and the latter problem is dealt with by part 4 of the Bill. In my constituency, we had some problems about 18 months ago with young people who combined the consumption of softer drugs with drinking alcohol. That caused a real problem in the community, but we have tackled that problem locally and seem to have got on top of it. As I have said on many occasions in this House, the crime

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and disorder reduction partnerships offer a good mechanism for bringing together all the agencies in a locality to tackle crime and disorder.

Some developments have been especially good. For example, our local primary care trusts work with wardens in the communities, and that has enabled us to tackle problems of antisocial behaviour caused by drug taking and fuelled by alcohol. Nevertheless, the cost of dealing with these problems is enormous. The hon. Member for Orkney and Shetland (Mr. Carmichael) put it at about £16 billion, but all sorts of figures are thrown around, with some estimates as high as £19 billion. I hope that my hon. Friend the Minister, when she winds up, will say what the real cost is. It is difficult to be accurate about such matters, as programmes run in each local authority area tend to overlap. It is also hard to estimate the cost of police and court time, and of the work done by the probation service, treatment centres and social services. Nevertheless, the amount of money involved is clearly enormous and must be between £16 billion and £19 billion.

There is clear evidence that the Government strategy is beginning to work. It deserves to be supported, even if that means that we must bear a greater part of the cost. The Bill gives us an opportunity to come to grips with many of the problems in our communities.

The link between drugs and crime is especially pertinent in my constituency, and in Barnsley as a whole. The local authority publicised a very interesting statistic after a survey was conducted in the mid-1990s. It stated that, in 1975, Barnsley was 15 per cent. below the national average when it came to crime but that, by 1994, the area was approaching 20 per cent. above that level.

Two significant things happened in that period—the dislocation of the local economy as a result of the colliery closures, and the advent of drugs. Cannabis and heroin are the main drugs and they had become a real problem by the mid-1990s. There is no doubt that heroin had an impact on the statistics that I have just set out.

On the national scene, it is evident that there is a relationship between drugs and crime. For example, the national England and Welsh drug abuse monitoring project—New Adam—conducted surveys and interviews involving 3,091 arrestees. The findings showed that 60 per cent. of them acknowledged a link between their drug use and their offending behaviour, and that there was a strong association between the use of heroin and cocaine and levels of acquisitive crime. Users of both heroin and crack cocaine reported that they needed an illegal income to pay for their drug use of about £24,000 a year on average.

The same conditions apply to Barnsley. Much of the local research shows that users of cocaine and heroin resort to acquisitive crime to pay for their habit.

John Mann: Does my hon. Friend agree that the actual figure is far greater than £24,000? The figure of £24,000 represents the cash value of the stolen goods, not their actual value. If someone steals a computer worth £2,000 and sells it for £10, the difference is £1,990.

Mr. Clapham: My hon. Friend makes his point clearly, and I agree with him. The research shows that the cost of drugs in terms of crime in our communities is considerable. To tackle crime effectively, we must tackle the drugs problem. On a positive note, a growing body of evidence suggests that if offenders receive advice and treatment at various stages in the criminal justice process, their drug use and drug-related offending can be reduced substantially. That is the rationale behind the Bill.

In Barnsley, we have had a considerable heroin problem, which first became obvious in the early 1990s. A survey in 1997 by the drugs action team suggested that as many as 5,000 people in Barnsley regularly used heroin. However, that has changed since the Government's strategy began to come together in a more coherent framework. I shall refer to some of the results of the application in Barnsley of the Government's drug strategy.

In order to obtain a fuller understanding of the drugs problem, and in readiness for the latest CDRP audit across the borough, the drugs action team commissioned the Barnsley drugs market mapping exercise, which was carried out by Sheffield Hallam university. The survey was done in 2004 and has provided some useful information. I have been surprised that the debate so far has made little reference to much of the work that the CDRPs have done, especially some of the research that they are doing as we move into the third phase of the CDRP audit system.

The Barnsley survey made the point forcefully that drug misuse that is especially visible in disadvantaged areas is a significant problem in the area. We have several wards in the top 10 per cent. of deprived areas. Indeed, we have some of the most deprived areas in the country across the borough. However, the survey suggests that the drug misuse problem is not out of proportion to Barnsley's social and economic status. It also suggested that Barnsley has 1,500 problematic drug users. The term "problematic drug users" is not defined, but in 1997 Barnsley had 5,000 heroin users. I suggest that problematic drug users include those who regularly use heroin and are involved in acquisitive crime to pay for their habit. According to the survey, there were some 2,000 problematic drug users in 2000, but that has fallen to 1,500 in the latest survey.

The main drug used is heroin, with a small group of crack cocaine users. There is also a strongly embedded cannabis culture across the borough and a growing powdered cocaine culture, which reflects the increased affluence of the clubbing population. As I have said, Barnsley has some of the most deprived wards in the country, but a great effort has been made by the local authority, with Government support, to renew the economy. Significant changes have been made.

It is estimated that much of all crime is drug related, especially acquisitive crime such as domestic burglary, theft from vehicles and shoplifting. In common with research in other parts of the country, it appears that many problematic drug users acquire half of the income they use to pay for their drugs through low-level crime, including property crime, benefit fraud, drug dealing and prostitution. In fact, Barnsley does not have a significant sex trade, so that factor is different when making comparisons with the rest of the country; there are reasons for that, although I shall not go into them at the moment.

The illegal drug economy of the town cannot be viewed in isolation. The research showed that a network links Barnsley and some other south Yorkshire towns to Sheffield, Leeds, Hull, Manchester, London, Liverpool and Nottingham. Heroin is established and widespread in Barnsley, although there is higher use in some communities; for example, the wards of Worsbrough, Athersley, Kendray, Thurnscoe and Goldthorpe all have higher heroin use and all are within the deprived 10 per cent. Most users go to a handful of regular dealers and most dealing appears to be small scale, although there is some evidence of established larger dealers who are usually paid in heroin.

The Government's drug strategy has had a positive impact in Barnsley, and I noted from the contribution of my hon. Friend the Member for Bassetlaw that the same was true in his area. The change in trends has been significant, which increases my confidence that the Government's strategy is working, so the Bill will be helpful in ensuring that we make that change even more comprehensive. In Barnsley, the drug user profile shows that drug users tend to be older, in their mid-20s, and that fewer young people are attracted to the scene. That suggests that we have reached a plateau, at least over the period when the research was being carried out, and that fewer and fewer young people are coming on to the heroin scene, which must be good.

More people are going through treatment programmes; for example, in 2003, 1,139 people went through treatment, while in the first three quarters of 2004, the number was 1,222, which suggests that when the report for the whole year is completed more than 1,600 people will have gone through such programmes.

Mrs. Gillan: The hon. Gentleman paints an optimistic picture of Barnsley, while admitting that there is still a significant drug problem in his constituency. Does he have statistics on how many of the people who went into treatment actually completed it and on the outcomes for those individuals?

Mr. Clapham: No, not in the current statistics, but the Library research paper suggests that, largely, clients drop out because of the way the clinics work rather than because anything is wrong with the client, so we need to take on board through the Bill what has been said by organisations such as DrugScope and ensure that the available treatment is uniform across the piece, rather than showing the wide variations that my hon. Friend the Member for Bassetlaw mentioned. We need to drive forward best practice, because that will avoid the current high drop-out rate.

Mrs. Gillan: The hon. Gentleman is most generous in giving way again.

I agree that best practice must guide our footsteps. I am not trying to catch him out in any way, but does he agree that it is important that we obtain verifiable statistics on the number of users who complete their treatment and follow them up even after that, the better to inform ourselves about which treatments are successful and which are the most positive outcomes? Sadly, at the moment either that information is being unwittingly concealed or no resources are available to obtain it. We would all benefit from such information and I shall be interested in the hon. Gentleman's comments.

Mr. Clapham: I agree with the hon. Lady that we need to know the drop-out rate, so that we can address it. Certainly, I would have thought that all the crime and disorder reduction partnerships knew the drop-out rate. I will make inquiries and obtain the drop-out rate in Barnsley. Indeed, I will let her know the figure.

More than 1,600 people had passed through treatment by the end of 2004. Importantly, acquisitive crime is down very significantly. Domestic burglary is down by 31 per cent. and thefts from vehicles by more than 20 per cent. As we put more people through treatment and as we deal with drug taking—in particular, heroin, which is a class A drug—we can see the benefits in the reduction in crime across Barnsley.

In September last year, the criminal justice intervention programme and the prolific offender scheme went live. The ultimate aim of those programmes is to ensure that more offenders get access to treatment and are retained in treatment—the point that the hon. Member for Chesham and Amersham (Mrs. Gillan) made. The programmes will build on the work that is already going on in Barnsley and further improve the situation.

We must all ask whether the Bill will assist—I believe that it will—but I said at the beginning of my contribution that I share some of the concerns of DrugScope and Turning Point. Moreover, there is some merit in the points that they make in their alternative Bill, and I am sure that my hon. Friend the Minister has seen some of those points. It is clear that, as we increase the number of people who undertake treatment, we need to ensure that fewer people drop out—again, the point that the hon. Lady made—as well as providing ongoing support.

It is important that we can provide support in the community for people who have undertaken the treatment process. In that respect, I note that page 14 of the Library research paper states that there is evidence that those who are referred for treatment from the criminal justice system were 2.7 per cent more likely to drop out than those referred from other routes. It is important that we understand that point and that we better co-ordinate the pathways to treatment—again, something that my hon. Friend the Minister will consider to try to ensure that we have an improved treatment system that retains the people who are put into it.

The same research paper suggests that a successful treatment outcome was related to the clinic at which the client received treatment, rather than to anything that was wrong with the client—a point that I made earlier. We need to ensure that such variation is overcome. We need to drive best practice throughout the treatment system. The National Treatment Agency for Substance Misuse has agreed to that point, and it is considering how it can make the treatment more effective. We therefore need to concentrate our efforts to speed up the treatment.

It is essential that we get people into treatment as early as possible, which is why I support the Bill in its endeavour to ensure that people go from arrest and

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interview in custody suites to treatment. At the same time, we need to ensure that best practice is driven through the treatment centres in the system, and perhaps my hon. Friend the Minister will say, when she comes to the Dispatch Box, whether there are plans to do so in co-operation with the Department of Health.

Last Friday, I visited Holden house, which is in my constituency. It is administered by the English Churches Housing Group and runs the supporting people programme, which was introduced in 2003. I am told that the programme had a budget of £1.8 billion when it started. However, the budget will be reduced over the next three years, which will threaten some of the short-term accommodation provided for young people, many of whom have mental health problems and have come through treatment to engage again with society. The programme is worth while and we should ensure that it is properly financed. The Office of the Deputy Prime Minister finances the programme, so will the Minister make it aware that there are worries that cutting the programme might well result in vulnerable young people being out on the streets? The programme is cost-effective when one bears in mind the fact that a vulnerable person out on the street is likely to be attracted back to the drug scene, which will result in increased police and court time and costs and NHS costs. The programme must be continued with an adequate budget.

I support the Bill because it will contribute to the Government's drug strategy and help to make it more comprehensive. It will also help us to get more people into treatment. We need, however, to examine best practice and how we may speed up the process of getting people into treatment.

3.47 pm

Mr. Laurence Robertson (Tewkesbury) (Con): It is a pleasure to follow the hon. Member for Barnsley, West and Penistone (Mr. Clapham), who made a comprehensive speech. My hon. Friend the Member for Ribble Valley (Mr. Evans), who spoke before the hon. Gentleman, is promoting a private Member's Bill on drugs. He was lucky enough to come second in the ballot and is putting his good fortune to use in probably the best way possible, given the problem that the country faces.

Although I am sure that it was unintended, I got the impression from the Secretary of State's tone that he thought that the drugs problem was being beaten, but I submit that that is not the case. I support the Bill because it is an attempt to achieve that. Although I cannot demonstrate the deep knowledge of the matter that many hon. Members have shown, I want to speak in the debate because we are not beating the drugs problem.

As my right hon. Friend the Member for Haltemprice and Howden (David Davis) said, the Bill is a step in the right direction, but only a small one. I regret to say that it is an attempt to correct the damage caused by the Government—perhaps inadvertently—when they lowered the classification of cannabis. I will make no apology for returning to that point on many occasions. The House does not only pass legislation. After all, legislation can only do so much, so we must send messages. Lowering the classification of cannabis got far more publicity throughout the country than the Bill will receive.

As I said during an intervention, I recently heard that many young people think that cannabis has been legalised. One or two Labour Members said that the police are not bothering to arrest people for cannabis crime. Let us add those two things together: if young people think that using cannabis is legal and the police are not bothering to make arrests, why should young people not take cannabis? The Government are giving the message that drugs are bad, yet that taking the so-called recreational drug cannabis is not as bad as it used to be. We cannot tackle the drugs problem seriously when we give such mixed and misleading messages.

My hon. Friend the Member for Ribble Valley referred to the Brixton experience. A pilot study was carried out, but because it did not produce the results that the Government wanted, the lessons drawn from it have been forgotten. The Government hired a drugs tsar, and because he did not say the things that the Government wanted to hear, he was moved quickly to one side. That is not the way to tackle the problem of drugs.

There are good messages in the Bill and although it contains some good measures that are too strong for one or two Labour Members to take on board or agree with, such messages and measures are pointing in the right direction. However, the messages about drugs are rather weak when we compare them to some of the other messages that we send out from this place. For example, we are rightly deeply concerned about binge drinking, but we seem to hear much more about the problems associated with binge drinking—I accept that they are considerable—than about the problems associated with drugs.

I return to my point that the message about drugs is not consistent and is not strong enough. Potentially, we are turning smokers into criminals, if the Government are returned. It seems that those who have a social drink or a social smoke are being treated like pariahs, yet drug takers are having far more tolerance extended to them. Sympathy they need, and I entirely support the calls, especially those made by my right hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith), for better rehabilitation, but the message about the evils of drugs, including the evils of cannabis and the psychological difficulties caused by cannabis, must be advanced with greater strength.

We have heard arguments for the legalisation or decriminalisation, whichever term we use, of drugs, especially from the hon. Member for Newport, West (Paul Flynn), who made a thought-provoking speech. He demonstrated great knowledge but I disagree with the conclusions that he drew from the extensive studies that he has obviously undertaken. He said that if an activity is illegal, it arouses curiosity, especially in the minds of the young. I suppose that that is true. I suppose that many young people are curious about what it is like to purchase alcohol if they are not 18, but I did not hear the hon. Gentleman suggesting that we should legalise the purchasing of alcohol by those who are under 18. I do not think that we can follow the logic of the hon. Gentleman's argument in terms of what

happened during prohibition. When I challenged him on whether he would ban smoking in public places, he said that he would. However, that sends out an inconsistent message.

The hon. Gentleman almost suggested—I am sorry that he is not in his place to hear what I am saying—that the fact that it is illegal to possess and to take drugs made the committing of crime more prevalent. I do not follow that logic. The crime is committed to secure the money. If drug taking were legal, given their cost and their effects, many people would continue to commit crime to fund their habit. On that basis there is no logical or consistent argument.

Drug taking or drug possession must be illegal if there is to be legal consistency. The taking of drugs fuels crime and crime fuels the taking of drugs, not only crime such as burglary or theft—those are the obvious two crimes—but, as the hon. Member for Barnsley, West and Penistone said, prostitution. When prostitution is fuelled by drug taking, further problems ensue, such as the trafficking of young girls. The result is a terrible vicious circle. The outcome is also higher rates of other crime. In Northern Ireland, where I happen to spend a little time and carry out studies, the drugs trade is an industry in itself.

I cannot follow the logic of the argument that the problems would be removed if we legalised drug taking. If the crime that fuels the drugs is illegal, the drugs themselves should be illegal. As I pointed out in an intervention, if drugs are to become acceptable we would have to decriminalise them and make them legal. That process would send the wrong message. Are people who propose that drugs should be legalised suggesting that they should be sold alongside the Mars bars in the shop of my hon. Friend the Member for Ribble Valley? That would not be appropriate, but where would people obtain drugs if they were made legal? I believe that they would probably obtain them at the same places that they obtain them now. They would buy them from dealers, but cannabis dealers, I am afraid, also deal in stronger drugs. They do not just deal in what are sometimes erroneously termed soft drugs. Where will young people be advised to buy drugs if they are made legal?

People take drugs for different reasons. Some turn to crime to fund their habit, but others may be considered the silent victims, and are members of the working population, the middle classes—whatever that means these days—and even higher classes. I telephoned Gloucestershire constabulary for advice on my speech this morning and asked how many such people take drugs. They said that, by definition, they did not know, because those people do not break other laws or steal to finance their habit. People who take drugs who then commit crime are the visible drug takers who are in the public eye but, worryingly, there are others we do not know about.

The Bill that my hon. Friend the Member for Ribble Valley has introduced is rightly concerned with drug dealers, although it also calls for a full survey of the evils of cannabis. I am advised that if the police take out a drug dealer and he goes to prison—I am not suggesting that that should not happen—another drug dealer steps into his place and continues the supply of drugs. In other words, the demand side is probably the bigger problem. That does not mean that we should not hammer, for want of a better word, drug dealers, but a more imaginative approach is needed to stem demand as well as supply. Stemming supply might reduce usage but it might increase the cost of drugs, which could have a knock-on effect on crime, which would increase as people tried to pay for those drugs. The solution to that problem is extremely difficult, and I shall return to it in a moment.

The law, as I have said, must crack down on dealers, and the police are using the Proceeds of Crime Act 2002 to do that. They say that it is helpful to be able to seize the assets of people who have been sent to prison for drug dealing because the police do not believe that prison is enough. Drug dealers, like many habitual criminals, regard prison as an occupational hazard. The police therefore find it useful to confiscate assets so that when those people come out of prison they cannot easily return to their evil trade. On the other hand, the police say that reducing those people to nothing may mean that when they leave prison, they are tempted to return to crime to get started in the drugs trade again. I do not know the answer to that problem—I am simply trying to highlight it.

The supply of drugs is highly organised and suppliers deal in all kinds of drugs. Indeed, they deal in the drugs that they can get at that particular time in order to sell on. If they can get a shipload of one kind of drug at a decent price, they will buy that drug and move it on. As I said earlier, people who supply cannabis also supply many other drugs.

Some aspects of the Bill are contentious. Testing on arrest does not seem much different from breathalysing somebody who is suspected of drink driving. If that helps the process, I do not see it as a problem. Another issue is the "reasonable" test when someone is caught in possession, to determine whether that person is a dealer, not just someone who takes drugs. "Reasonable" is probably the most important word in the English legal system, but it presents problems. What do we mean by reasonable? Is there any such thing as possessing a reasonable amount of drugs? I am not sure how the courts will determine that. The Committee may want to try to clarify the matter.

The supplying of drugs must be tackled, as must the demand. More joined-up thinking is needed. Before 1997, we heard how the Labour party would introduce joined-up government. We are still waiting for that, and nowhere more than in drugs policy. There must be a stronger link between education, health and the criminal process. We should not be afraid to teach young people about the evils of drugs, the damage they cause, the fact that they can be carcinogenic and addictive, and about how starting on cannabis often leads on to class A drugs. We should say that much more clearly than we do.

Mr. Stephen Pound (Ealing, North) (Lab): I do not want to be antagonistic, but does the hon. Gentleman have any empirical evidence whatever to support the thesis that milk drinking leads to whisky drinking, or that cannabis smoking leads to the injection of diamorphine hydrochloride?

Mr. Robertson: I am grateful to the hon. Gentleman for that friendly intervention. No, I cannot say that drinking milk leads one on to whisky, but I am advised by many police officers that most heroin addicts started

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on cannabis. I am not an expert on the subject, as I said at the beginning of my speech, so I am persuaded by the views of the many police officers to whom I have spoken, who work at the sharp end of the business.

We must teach young people about the evils of drugs in terms of their cost and the health effects, and we must stress how stupid it is to take drugs. We cannot do that while reducing the classification of the so-called recreational drug. I have Front-Bench responsibilities on other days for the Consumer Credit Bill. I said on Second Reading of that Bill that legislation cannot cure all the ills, and I accept that that applies to this Bill as well. Much depends on education.

We have a difficult situation in this country, and probably throughout the so-called developed world, where attitudes do not help to combat drugs. We hear a great deal about civil liberties, and I agree with the Secretary of State when he says that one man's civil liberties are another man's ruined life. I paraphrase, but that was his general message. We must work on the basis that we believe in the freedom of the individual under the rule of law. When it comes to drugs, we need such law.

Mr. Pound: Will the hon. Gentleman give way?

Mr. Robertson: I hope this will be an easier intervention than the last one.

Mr. Pound: The hon. Gentleman's prayers are answered. Would he be interested to know that I think that my right hon. Friend the Secretary of State was trying to present to the House Sir Isaiah Berlin's famous comment that liberty for the shark does not necessarily mean liberty for the minnow?

Mr. Robertson: The hon. Gentleman puts it far better than I could have put it, and far better than the Secretary of State put it, too, which is not surprising. He has been in the House an awful lot longer than I have, but I have been here long enough to know not to take him on in combat. I will not go further down that route.

I want to re-emphasise my main points: we need a stronger law, and I will therefore support the Bill, which moves us in that direction. We need the right messages to be sent from Parliament about drugs, and we need better rehabilitation treatment, and as in so many other walks of life, better education.

I want to conclude on the point with which I started: the drugs problem is not beaten, and I am not yet persuaded that, at the moment, we are beating it.

4.5 pm

Dr. Brian Iddon (Bolton, South-East) (Lab): I welcome this Bill, for one reason: that we can debate drugs in the House today. After all, it is the third largest business in the world in terms of producing the raw materials, trafficking them to nearly every country in the world, and selling them illegally, in most countries in the world, to people who suffer as a result of the illicit drugs market.

The hon. Member for Ribble Valley (Mr. Evans) is right that it was useful to have a drugs tsar, for one reason alone: it allowed us to have an annual report, which allowed us to have an annual debate. When we lost the drugs tsar, we lost the annual debate. Bearing in mind what I said about drugs being the third largest business in the world, I have always argued—I have raised this matter at business questions—that we ought to have an annual debate on what, after all, is one of the biggest social problems facing Britain today. We need to measure how our Executive, the Government, are getting on with the powers that we give them to tackle what is a vicious problem.

I am glad that, today, the phrase "the war on drugs" has not been used all over the House. I hate that expression. In my estimation, we cannot have a war on drugs: what we must have is a war on the causes of the misuse of drugs. In my opinion, those causes are simple: poverty and social exclusion. The poor people of Colombia and Afghanistan are forced, because they have nothing else to grow and no infrastructure to transport it, to grow the raw materials that are exported to the west—coca in one case, and heroin in the other—and in any case, there is much greater profit in that. Certainly, those people are socially excluded and poor. When the drugs come over to a modern, westernised country such as Britain, it is largely the poor and socially excluded who suffer as a result of using the end product. It is ironic that a connection exists between one country and another in that way.

Drug selling is the biggest pyramid selling racket in the world. Reference was made to the fact that someone can be taken out of the pyramid and another person pops in. That is the nature of pyramid selling—the profits in the pyramid are so great that it never collapses. Even Mr. Big at the top stays, and if he is taken out, another Mr. Big goes into the same pyramid, whether it is the Italian mafia or another organisation that trades drugs, such as the IRA. In my estimation, the only way to collapse the global drugs trade is to collapse those pyramids. Economically, the only way to collapse a global pyramid that is making fantastic profits is to collapse the profits, which can only be done by taking out the risk and all the enforcement action throughout the world.

My views on decriminalisation have been expressed in the House previously. Prohibition will never win this war, if we want to call it that. I have always argued that we should move away from the enforcement end of the spectrum and towards the health end. Many of those who take drugs are sick people—we are talking about addicts.

The hon. Member for Newport, West (Paul Flynn) mentioned that a recent report about dual diagnosis states that 80 per cent. of people who misuse drugs are also mentally ill. I am chairman of the drugs misuse all-party group, which is meeting right now. Four or five years ago, we conducted a survey on dual diagnosis, which estimated that 40 per cent. of people who misuse drugs are also mentally ill. I expect that the percentage has gone up because more people use drugs now, but 80 per cent. seems rather high. Whatever the figure, we should never forget that many people who misuse drugs are mentally ill. The scale on which we criminalise mentally ill people is perhaps wrong, although if you have committed a crime, you have committed crime, and we should take those aggravating circumstances into consideration.

My hon. Friend the Member for Bassetlaw (John Mann) referred to the difficulties with treatment services, which still fail to recognise that they are often dealing with people who not only misuse drugs but are mentally ill. People who misuse drugs often have multiple complex problems: they may be homeless; they may have been excluded from their families because of their drug misuse; they may have few friends; and they may lead completely antisocial lives. To get those people back into society requires not only a policeman on the doorstep but a complete holistic service.

My hon. Friend the Member for Bassetlaw made the point that all those individuals are different—they come from different backgrounds and have had different experiences. In the past, many drug users who went into prostitution were unfortunately from care homes, which was tragic and sad. The Government have taken action by increasing care through social services from the age of 18 to the age of 21. That is one of the ways in which we are tackling the problem, and that point is often not flagged up in debates such as this.

Mr. Michael Connarty (Falkirk, East) (Lab): My hon. Friend has probably anticipated my intervention by mentioning my hon. Friend the Member for Bassetlaw. By and large, methadone is not used in the experiments in Bassetlaw, and it is not used in France, where a drug that blocks the additional use of heroin, which prevents people from overdosing and from using heroin at the same time as methadone, is used. Is it not time that we did something as a country to try to expand such experiments? I hope to convince people in Scotland, where the main substitute for heroin is methadone, that it is time to examine other drugs that block the use of heroin.

Dr. Iddon: I am glad that my hon. Friend mentioned that point, which I shall develop in detail in a moment.

Mr. Evans: The hon. Gentleman has mentioned the psychiatric needs of many drug users, and I agree with him on that point. Although he comes at the problem from a completely different angle from me—he supports legalisation or decriminalisation and I do not—will he concede that many people who now use cannabis, which is completely different from the cannabis that was available in the 1960s, will need psychiatric services in the future if they continue to take the drug at their current pace?

Dr. Iddon: I am coming on to that point. I want to knock on the head a few myths about cannabis that have been mentioned again this afternoon. Someone—it might have been the hon. Member for Ribble Valley—said that cannabis is 10 times stronger today than it used to be. Skunk, to which I think that they were referring, contains a tremendously high level of tetrahydrocannabinol, which is the main psychoactive component of all cannabis plants. However, there are 23 different varieties of cannabis plant. I have never taken an illegal drug in my life and have therefore never smoked cannabis, but I take an interest in the subject and have been to an Amsterdam coffee shop. Many people who walk into Amsterdam coffee shops partake of not only coffee but cannabis—all the varieties are laid to choose from.

When I went to Amsterdam with the police service parliamentary scheme and visited one of the more reputable coffee shops, the gentleman on the counter, who incidentally had been a leading athlete for Holland in the Olympic games, asked me directly whether I had ever smoked cannabis before, and if so what kind. People do not get asked questions like that in Britain—they pick up whatever is on the street and do not have a clue what they are smoking. In Holland, they will be told the tetrahydrocannabinol content. If someone who has never smoked cannabis before goes into a Dutch coffee shop, they will not be sold skunk immediately—they will start on one of the 23 varieties of cannabis with the lowest amount of THC. Some people work their way up the spectrum, increasing the amount of THC content as they become veteran smokers, although I am not applauding that.

When I go to schools and talk about drugs, I never encourage any children even to try a drug, but we have to tell children the truth. We cannot simply say that the cannabis that is available today is 10 times stronger than it used to be, because that is meaningless and untrue—only one variety out of 23 is stronger. One of the mistakes that we are making is that we are not giving information to children straight. Indeed, in my admittedly limited experience, many teachers do not know the facts themselves, and children often know more than they do about drug misuse.

One of the best things that the Government have done is to start the "Frank" scheme. I applaud them for that. The "Frank" website gets an amazing number of hits—well into the multi-millions. Young people are hitting the website to find out what they cannot find out from their teachers. One hon. Member quoted the website on the question of cannabis, but that was taken out of context, because one has to read all the information that it provides about cannabis before one gets the full picture.

Mr. Pound: I am grateful to my hon. Friend for his brief guided tour of the cannabis shops of Amsterdam. It is a subject that I do not know a great deal about—or if I did, I have forgotten. Is he seriously suggesting that if I entered one of these cannabis shops, suitably disguised in a wig and kaftan, and ordered a few grams of primo skunk, the owner would say, "I don't think that is entirely suitable for you, sir," and try to steer me towards cannabis indica or cannabis sativa? Surely if one walks into the shop with the guilders, one gets the gear.

Dr. Iddon: I was careful to say that I went into a reputable coffee shop. The police are closing down the disreputable coffee shops in Amsterdam, and there are now half as many as there were 10 years ago.

Mr. Connarty: My hon. Friend will recall that we visited that coffee shop together and that the athlete whom he mentioned generally advised his clients not to smoke cannabis because he had made it up in other forms that could be chewed.

Dr. Iddon: He had been smoking for most of his life, but he was getting a bit unfit and told me that he would not do it any longer.

[Dr. Iddon]

The Road Traffic Laboratory has carried out research on the effect of cannabis on drivers. I believe that its report said that one spliff can calm some nervous drivers down enough to make them better drivers, although of course it did not recommend taking cannabis and driving. I am concerned about testing for drugs at the roadside. Cannabis stays in the fatty tissues of the body for up to 30 days—a whole month—but it is not psychoactive and will not affect a person's driving for more than a few hours. Where are the civil liberties in testing somebody six days after they have smoked a spliff, assuming that they have not smoked in between? Surely their ability to drive must be tested at the same time as testing them for cannabis, and what matters is whether they are incapable of driving. We must be aware of that point.

I do not support total decriminalisation of drugs as the hon. Member for Ribble Valley intimated. However, I recommend that the Government move the debate along and try different methods, as other countries throughout Europe are doing. The problem has only just become stabilised and is not reducing greatly. Indeed, it may increase again—I hope that it does not.

I supported moving cannabis from category B to category C on the basis of the recommendations of Dame Ruth Runciman's committee, which produced the Police Foundation report on the Misuse of Drugs Act 1971. It strongly recommended the categorisation of drugs according to the harm that they cause. I agree with that. People knew that I had an interest in the subject and many, not only from my community, came to whisper in my ear. Some were professional people—not all were from poorer backgrounds. When cannabis was in category B, distinguished people—I shall not mention names for obvious reasons—approached me to ask me to keep pushing on the door. They knew that some of their children or their friends' children were using cannabis. If they were caught, the family would be stigmatised.

One of my reasons for supporting the recategorisation of cannabis was my belief that criminalising hundreds of thousands of young people, many of whom did not know what they were doing, was wrong. Criminalisation had all sorts of consequences, for example, for getting visas to visit America and answering the question on job application forms about whether they had ever been convicted of a criminal activity. It is wrong to give so many young people such a bad start in life. It was right to concentrate on category A drugs rather than cannabis, on which the police focused at the time.

I re-emphasise that we have to get the message about drugs across to young people—for example, through the "Frank" website. We must train teachers who teach children about the moral and ethical aspects of life to give proper advice so that when a child approaches them with a difficult question on a one-to-one basis, they can answer it. The Government are increasingly providing such training.

One important provision, which is in schedule 2, has not been mentioned in the debate so far. Paragraph 6 repeals the extension of section 8 of the 1971 Act, which was introduced as a result of the Criminal Justice and Police Act 2001. That Act extended section 8 of the 1971 Act to include not only heroin and opiates in general but all illegal drugs. Hon. Members will remember that John Brock and Ruth Wyner, who ran the Winter Comfort home in Cambridge, were caught badly by that. Those two good, honest people ran a home where homeless people could drop in—I have already mentioned the possible connection between some homeless people and drugs—and some drugs changed hands on the premises. I understand that they had been warned but the police invaded and arrested the two managers, who were in prison for quite a long time, despite an appeal and much public sympathy. That case raised fears among many people who worked in housing associations, for example, or who ran community centres—people who were looking after the most vulnerable members of our society. They were all afraid of being trapped by this extension of section 8 of the Misuse of Drugs Act 1971.

To be fair to the Government, the provision in the Criminal Justice and Police Act 2001 has never been implemented. However, I am not sure whether hon. Members realise that if this Bill is enacted, it will repeal what I regard as that vicious measure, which will give confidence back to the people who help the most vulnerable members of society to try to give up drugs, get themselves organised, and get themselves a home and the benefits that many of those who live on the streets have never had.

The Bill is about treatment, and I have some concerns in that regard. My hon. Friend the Member for Bassetlaw is absolutely right. When we are discussing drugs, we should discuss each one separately as their profiles are all so different. It is pretty obvious that cannabis is very different from heroin, cocaine and crack cocaine, but they are all different. We must also remember that many members of society are poly-drug users, and I include alcohol and tobacco in the list of the drugs involved. Each drug interacts with the others in a symbiotic way. Taking one drug will not have the same physiological effect as taking a cocktail of drugs, including alcohol and tobacco.

Sometimes it is difficult to treat a person, especially if they are a poly-drug user. In this country, however, we have gone mad on methadone, methadone, methadone. Methadone is not always the right drug to use as a substitute when treating a heroin user. Since 1997, I have argued in this place that we should offer heroin addicts a choice of treatment, rather than simply sending them down to the pharmacy for the green liquid known as methadone. Of those addicts who take their methadone in the pharmacy, some are of very long standing, and those who prescribe the methadone are so cautious that they prescribe a dose so low that it will not give the addict the buzz that they have been experiencing on the street. We all know what they do: they go down the road, they sell as much of the methadone as they can, and they stick to the heroin that gives them the buzz. Where is the sense in that? We have to titrate methadone according to the tolerance level that the heroin addict has built up, but not many of the people in the community drug teams are able to do that. I have always argued that long-term heroin addicts should be treated by proper professional people, which is what my hon. Friend the Member for Bassetlaw was saying earlier. I entirely agree with him. I know people who have been addicts for up to 35 years.

I want to raise a point that I feel very angry about. It concerns the General Medical Council, which has been striking off doctors who have been dealing with the most chaotic heroin addicts, particularly here in London, for a long time. The first such case involved someone whom I shall call a friend of mine, Dr. Adrian Garfoot. His brother is a Methodist minister. They were very concerned about drug addicts, and Adrian treated more than 1,000. He said that one of them came at him with an axe one night, but he managed to calm him down. Those are the kind of people that he was dealing with—truly chaotic heroin addicts of long standing who were using cocktails of drugs. We cannot send those people down to the pharmacy and give them a low dose of methadone—it will not work.

So what has the GMC been doing? I do not believe that it understands these problems. I went along to the GMC to represent Adrian Garfoot at his hearing. He had already been cleared under the Home Office's special procedure; this was his second, unofficial, trial. I looked around the table at all the middle-aged and fairly elderly ladies and gentlemen who were members of the special committee set up by the GMC to try—I use the word advisedly—Dr. Garfoot. They began to ask me questions, we had a conversation, and I concluded that not many of those who were trying this fellow who had been treating the most chaotic drug addicts in London had a clue what his business had been about. Anyway, he has gone; he can no longer practise as a doctor.

Nearly 30 people have been through the same procedure. All had treated the most chaotic of drug addicts. I do not suggest that they were all angels—there were one or two bad apples among them, and I do not deny that some may not have been doing the right thing—but Adrian Garfoot is certainly an honest, straight man. There are seven more people before the GMC now, and I feel very angry about what it is doing to the Stapleford seven.

Until he retired last year, Colin Brewer, whom I know, was head of the Stapleford clinic here in London. He is one of the few specialists in the country who can implant naltraxone patches, of which the NHS does not approve because the implantation is intrusive. Naltraxone is a heroin antagonist: try taking heroin when you have a naltraxone patch in your breast. It will make you sick. The patch lasts for up to a month, protecting the patient against heroin during that time. It is not an approved treatment in this country, but I think more research should be done on it, because it is a very good heroin antagonist.

When I came here in 1997, I argued in favour of buprenorphine, or Subutex, to which my hon. Friend the Member for Falkirk, East (Mr. Connarty) referred earlier. France prefers not to use methadone, and large parts of Australia have gone off it; they use buprenorphine. To be fair to the national health service and the Department of Health, they have introduced it now, but it is still not widely used in Britain. I think that that is a scandal, because in my opinion buprenorphine is far less addictive than methadone, which is an opiate substitute. Buprenorphine has a safer window of operation. It is possible to overdose on it, but not to the extent that it is possible to overdose on methadone.

A friend who was a synthetic organic chemist—I worked with him at Salford university—came to me with a wonderful proposal, which I put to the Department of Health, but it has gone nowhere. Methadone is a mixture of two molecules, related to each other as the left hand is related to the right. We call them L and D methadone. Only one of those molecules is physiologically active as a heroin substitute. The other stuff is useless and, of course, toxic. My friend developed a process of synthesising L-methadone, in the total absence of the other stereoisomer. That brings down the toxicity level of the same dose, with the same physiological effect, by nearly 50 per cent. in patients prescribed methadone.

I asked the Department of Health to ask this gentleman to prepare some batches and give the substance a trial to establish whether it was superior to the mixture of molecules that we currently sell people. The Americans are using laevo-alpha-acetylmethadol, or LAAM. Again I tried to interest the Department. It has sent me written replies explaining why it will not give LAAM a trial. What I am trying to get through to the Minister is this: we are unbelievably set on methadone in this country. There are alternative heroin substitute drugs, and we could be a bit more imaginative and at least conduct clinical trials on some of them.

We must not forget abstinence. Some people prefer 12-step programmes to taking a chemical to get rid of the chemical that is in their body to detoxify the chemical that they have already been on for ages heroin. We should pay a little more attention to those who want to go straight on to abstinence programmes; indeed, some treatment clinics tell me that we should offer such a choice. It is a question not just of treatment, but of choices of treatment.

Let me deal briefly with cocaine. Unlike heroin, for which methadone is the substitute drug, there is no substitute for cocaine. One cannot send people down to the pharmacist saying, "This will give you the same buzz as cocaine, even though it isn't cocaine." Such a drug does not exist. Indeed, the police and the Home Office are extremely worried about cocaine. Whereas heroin depresses people and puts them into a state of euphoria—it is a downer, rather than an upper—cocaine, particularly crack cocaine, is an upper, a stimulant. Those who are on cocaine are extremely aggressive, although their lives are admittedly short as they have to keep snorting it or smoking it, according to their preference. Such aggression is why the police are very concerned about people moving from heroin to cocaine—from downers to uppers. We should be very worried about the increase in cocaine sales, the price of which has come down tremendously.

I want to give the House some hope. Some 18 months ago, I attended a symposium on this subject at my old university, and more recently I heard the scientists speak again. Not many people are aware of the fact that a vaccine is being developed for drug addiction, although I hope that the Home Office and the Department of Health are. Would it not be amazing if, instead of substituting one chemical for another, we could get addicts off all drugs by using a vaccine? I hope that the Department of Health is proposing clinical trials of this vaccine, because it is one of the most hopeful developments in the drug treatment world for a long time.

I am all in favour of getting as many addicts as possible into treatment, but I am slightly concerned about coercing them into it. They tell me that they will

[Dr. Iddon]

give up a drug only when they are ready to do so. They have usually gone through a pretty horrific process that involved wrecking their family life and committing crime; even so, they cannot—so they tell me—suddenly decide that they will give up the drug tomorrow. Yet that is what this Bill asks them to do. It asks addicts—I am talking about real addicts, not casual users—to sign up for treatment at a time when they are not ready for it. The Home Office cannot simply coerce them into treatment programmes.

I have a second hesitation. I know quite a few drug addicts who are desperate to get treatment; indeed, my community drug team has a 12-week waiting list. That is far too long to wait. Such teams should open their doors to anybody who wants treatment, as some already do. About three years ago, I spoke to a community drug team leader who operated an open-door policy. Of course, things were chaotic and there were queues for most of the day. Back then, that team had to deal with a lot of drug addicts; indeed, it probably still does, given the location of the practice. My community drug team, however, expects people to make appointments and to turn up for them. If they do not turn up for treatment on the dot, they are put to the back of the queue as punishment. That must be wrong.

Any addict who has not yet committed a crime, but who might do so because we are not treating them properly, should be able to walk into a treatment centre and say, "I'm ready now: I want to give up my addiction." However, it is not always possible for non-criminalised drug addicts to do so, and that is my second reservation about the Bill. If we are to coerce more people into treatment, what will happen to those who are not yet involved in the criminal justice system but who might become so—and who want give up drug addiction without going round that magic wheel? I ask the Minister to think about this issue seriously.

As has been said, we have to follow people all the way through the treatment process—and beyond. All of us with an interest in drug addiction know that relapse with this disease—that is what addiction is, a sickness or disease—is much more common than for any other disease that I know of, including cancer or mental illness, though I have pointed out that some of these people have mental illness, too. They relapse. What addicts tell me is that, when they are having panic attacks or are tempted to go back on the drugs, they need somebody to talk to. It is a matter not of getting an appointment next week, but of getting one immediately.

I make a plea for 24-hour crisis centres. Having one in every town would be far too costly, but I would expect at least one somewhere in Greater Manchester. Fortunately, some of the leading charities are beginning to develop 24-hour crisis centres. We should think about how much suffering we can prevent and how much money we can save, not to mention how much criminal activity we can stop, by providing someone with the opportunity go to a crisis centre and be saved from going down the dangerous path that they have already trodden.

I have looked carefully into drug testing, as has the all-party group, of which I am chairman, and we are concerned about some of the firms that are getting on to the bandwagon. Let me say immediately that some of the firms involved in drug testing are credible and competent. However, as we expand drug testing, as recommended in the Bill, we will encounter cowboys jumping on the bandwagon and I know of no accreditation system for firms working in this sector—not even any form of self-regulation. In any case, there are various ways of testing. We can take pieces of hair, urine, blood and body fluids in general, but the most powerful non-invasive mechanism used today is taking mouth swabs, which one company is promoting and the Department of Health and the probation service have started to use. Will the Minister consider whether we should be accrediting such firms, particularly if they are being used by Government agencies?

I also want to flag up a point about "false positives". It is possible to carry out a drug test on someone and identify a positive. However, if a test is duplicated or another firm tests the same sample, it can appear that the first firm produced a false positive—the person is not, in fact, on the drug that the test seemed to demonstrate they were on. I am very concerned about that. We must have safeguards against false positives.

One of my constituents was in the Army. He had only just joined and had been in it no more than nine months when the Army carried out a random drug test on him. One day, he was picked out for a drug test and it came up positive. He did have a drug in his body and it was called amphetamine. The problem was that he had had a very serious cold and chest infection and had gone to the pharmacist, who had recommended a prescription that contained—yes, you guessed it—amphetamine. He was not an amphetamine user or addict, but had simply been taking a medicine containing the substance, which was legal and above board. As a result of being identified as positive for amphetamine, he lost his job in the Army. I made some protests to the Army about it, but I am afraid that they were unsuccessful in his case.

Finally, I want to deal with the inclusion in the Bill of provisions on mushrooms containing psilocin, to which my hon. Friend the Member for Newport, West referred in some detail. I shall not go over the same old ground. I understand why the Home Office wants to include provisions on this matter, but if I were sitting in Committee, I would be asking Home Office Ministers to provide a lot of evidence. The Bill must be evidence-based. The Government use that phrase a lot at the moment: all legislation should be evidence-based. I want to see the evidence that psilocybe mushrooms should be included among class A drugs. I have seen no such evidence, and I hope that my hon. Friend the Minister will say whether a report on those mushrooms has been produced by the Advisory Committee on Drug Dependence. That huge body of experts should know more about the subject that anyone in the House.

I am not convinced that class A covers the right drugs. People talk about the relationship between LSD and hallucinations, but many people have hallucinations without drugs. The chemical psilocin produces a compound that causes hallucinations in some—but not all—people, so does that merit its inclusion in the class A list, along with LSD? There is even an argument that LSD itself should not be put alongside heroin, cocaine and crack cocaine in class A. That should also be discussed in Standing Committee.

Around the world, different cultures—the Aztecs, for instance—have long used natural drugs to get their kicks, instead of the alcohol and other drugs used in the west. They have done so safely, and for centuries. Mention has been made of khat this afternoon, but psilocybe mushrooms and khat are only two of the drugs that could be used. I have a list of the chemicals and plants that occur in nature, which people could use. For instance, ibogaine contains a hallucinogenic indole compound.

The Government want to include psilocybe mushrooms in the misuse of drugs legislation, possibly as a class A drug—an approach that I question. They want to do the same for khat, even though the Somali community has a cultural relationship with the drug. What else do they want to bung in class A? The question of displacement is relevant in this case. The numbers of people using psilocin is very small compared to those using heroin, cocaine and cannabis. Of course I do not approve of the use of drugs such as psilocybin and khat, but is it worth including them in a major Act of Parliament?

My warning to the Government is that including such compounds in an Act of Parliament might persuade people who do not want to break the law to use other substances instead. A similar thing happens when the police act against prostitutes in one area of Bolton. The result is that they are merely diverted to another area. That is another problem for discussion in Committee. If I were to be a member of that Committee, I should like to see a lot more evidence about psilocybe mushrooms.

I was asked to speak for longer than normal, and I have.

4.47 pm

Mr. Henry Bellingham (North-West Norfolk) (Con): It is always a pleasure to follow the hon. Member for Bolton, South-East (Dr. Iddon), who I think followed me in the previous debate in this House on drugs. I secured an Adjournment debate on the case of Dr. Adrian Garfoot, to which the hon. Gentleman very kindly contributed. Dr. Garfoot is a constituent of mine, and I shall say more about the case a little later.

Drug addiction is probably the biggest blight on modern society. It costs many lives, and causes untold misery in thousands of families across the land. In 1954, 317 addicts were registered in this country, but the number had risen to 1,729 by 1967. Last year, 4 million people in the UK used drugs, and the Home Office estimated that 1 million of them used cocaine. Roughly 500,000 of those 4 million people are problem drug users. Replying to parliamentary questions from me, the Minister has said that there are 345,752 problem drug users in the nine English regions. In September last year, a written reply from the Department of Health stated that only 125,913 problem drug users were receiving structured treatment. That means that 219,827 get no treatment at all.

A number of hon. Members on both sides of the House have pointed out that most addicts are forced into a life of crime to feed their habits. The criminal justice costs of drug addiction are estimated at £16 billion a year. That is hardly surprising when the Metropolitan Police Commissioner estimates that 75 per cent. of all burglaries, robberies and muggings in his force's area are drugs related.

The supply of controlled drugs, as the hon. Member for Bolton, South-East pointed out, is a vast industry worth more than £8 billion a year. There are more than 100,000 dealers in the UK, but last year fewer than 10 per cent. were convicted of drug dealing. As my right hon. Friend the Member for Haltemprice and Howden (David Davis) pointed out, with profit margins of up to 3,000 per cent., dealers can make a fortune.

I have described the context in which we should consider the Bill and judge whether it will have any impact or help those who most need it. I have maintained for some time that the criminal justice system has a key role to play in tackling drug addiction and its causes. Indeed, the drugs intervention programme is a good mechanism for identifying, assessing and diverting drug users into treatment. The Government are right to include in part 1 measures to make it an aggravated offence to be found dealing near schools or to use young people as mules to run drugs.

The Bill will give the police greater powers in relation to dealers who swallow drugs or hide them in body cavities. The police will be able to order X-rays or scans, and magistrates, as my hon. Friend the Member for Ribble Valley (Mr. Evans) pointed out, will be able to remand in custody suspects whom they believe to have swallowed drugs for a period of up to eight days. I support that change.

I have some reservations about clause 7, which contains a key proposal to amend the Police and Criminal Evidence Act 1984 to allow for drug testing after someone has been arrested for a so-called trigger offence. If that test is positive, the person will have to attend an assessment so that a case plan can be drawn up. At the moment, as several hon. Members have pointed out, a drugs test can be administered only if someone is actually charged. We will discuss the issue in greater detail in Committee, but in the meantime I share some of the reservations of organisations such as DrugScope and Turning Point.

The main emphasis in the Bill is on the punitive approach and the criminal justice system. However, an equally important priority should be ways to make treatment more effective. The Bill is mostly concerned with those drug users who come to the attention of the criminal justice system, but much more needs to be done to help people before they turn to crime. The national treatment outcomes study estimates that for every £1 spent on treatment, £18 of cost to the criminal justice system can be saved. I was therefore surprised when the Home Secretary said that the figure was £3. Perhaps he was using different statistics from another organisation.

I am also concerned about the large numbers who drop out of treatment. Indeed, in a recent report, the Audit Commission estimated that 34 per cent. of drug users who leave treatment drop out within the first 12 weeks. According to the National Audit Office, of those offenders who received a community sentence, such as a drug testing and treatment order—which requires that the offender undergo treatment instead of receiving a custodial sentence—in 2003, only 28 per cent. completed the programme. We should not forget those people who have not committed any crime but who could be prevented from committing one by prompt access to treatment.

[Mr. Henry Bellingham]

I have some concerns about omissions from the Bill. Several hon. Members have pointed out that many people who are dependent on drugs and, in some cases, alcohol also have mental problems. In fact, one third of patients in mental health services have drug or alcohol problems. Many users are falling through the gaps and end up being passed from agency to agency. Furthermore, one in three problem drug users are either homeless or in need of housing support.

Mr. Pound: I am following the hon. Gentleman's argument with great interest. As ever, it is intelligent in every way. Is he saying that the addiction follows the illness, or that the mental illness follows the addiction?

Mr. Bellingham: I was saying that the two are often interrelated. There are people with mental illness who happen to have addictions and there are addicts who have mental illness. There is an obvious crossover between the two and that must be recognised.

As I said, many of those people have other serious social needs; many of them are homeless or in need of housing support. I was interested in the intervention by my right hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith), who referred to the scheme in Devon, the C-FAR scheme set up by a former Royal Marines major who helps people to work their way back into the community. I feel strongly that services must be able to deal with all aspects of a person's life and place greater priority on providing aftercare for addicts who are leaving treatment.

Mrs. Gillan: My hon. Friend is making an extremely interesting and cogent speech. Trevor Philpott's C-FAR operation is much to be admired. Does my hon. Friend agree that current thinking in some parts of the medical profession, especially the work being carried out by Professor Robin Murray at the Institute of Psychiatry, shows a clear link between cannabis use and the development of inner city psychosis? More such evidence is coming to light and that makes it even more imperative that we look closely at the available scientific and medical evidence, as cannabis is not the innocuous drug that everyone thinks it is.

Mr. Bellingham: I am extremely grateful to my hon. Friend for that information. I do not know whether she has visited C-FAR, but I certainly want to do so to look at the work that Major Philpott is doing. My hon. Friend is probably aware of the report issued today by the Royal College of Physicians, which comments on the serious damage that can be done by the stronger types of cannabis; younger people can end up with serious mental illness.

If treatment services do not deliver, addicts will not be able to rebuild their lives and return to society as productive and fulfilled members. Another omission in the Bill that the Government will have to address is the need for investment in staff training. There is a real recruitment and retention problem at all levels. A recent study by DrugScope estimated that there are at least 3,000 too few key staff with specialist knowledge in drug treatment centres. What does the Minister plan to do to improve the status of all staff who work with substance misusers? What do the Government plan to do about investment in the training, development and retention of staff? When the Minister winds up the debate, perhaps she will touch on that point.

There is a need for far greater investment and training to encourage general practitioners to work with patients with drug problems. GPs are a key resource and can help people to access other services. At present, there is a huge shortage of GPs qualified to deal with drug misuse and there is no co-ordinated infrastructure to support them. There is obviously a need for much greater liaison and partnership between GPs and specialist agencies, including many in the voluntary sector.

The hon. Member for Bolton, South-East mentioned the case of Dr. Adrian Garfoot and I, too, want to mention that extremely serious and unfortunate case as Dr. Garfoot is my constituent. Dr. Garfoot trained at the Royal Free Hospital school of medicine and was a GP in Yarmouth and Kilburn. During that time, he developed a deep interest in, and awareness of, the drugs crisis and the plight of drug addicts. In 1990, he opened the Laybourne clinic in east London, which soon became a renowned centre of excellence. During the 10 years from 1990, the clinic treated more than 1,200 patients whose typical age was 37 and a half—substantially older than the average age of patients in NHS clinics, which was 29. The overwhelming majority of Dr Garfoot's patients were long-term addicts who had been injecting themselves for anything from between 20 and 30 years and who maintained their habit through crimes such as theft, burglary, drug dealing, prostitution and so on.

At one point, it was calculated that the 270 patients attending the clinic had between them spent more than 600 years in prison. It is interesting that the recidivism rate for the drug addicts at the end of the treatment given by Dr. Garfoot at the Laybourne clinic was only 7 per cent., whereas the recidivism rate for those leaving the Prison Service was 50 per cent. In other words, Dr. Adrian Garfoot was able to rebuild the lives of many people, deal with serious medical conditions and restore family relationships, so I appreciate the praise given to him by the hon. Member for Bolton, South-East.

Most importantly, Dr. Garfoot enabled those people to get on with a normal life and keep out of trouble. I have calculated, with the help of several independent experts, that Dr. Garfoot probably saved the country more than £10 million—a remarkable achievement. His prescribing policy was based on harm reduction and non-coercive user friendly protocols. Above all, he used his clinical independence. He put in place voluntary and supervised withdrawal programmes. No patient ever died from an overdose during his time at the Laybourne clinic. There was one suicide when medication was seized by the police, with the result that the local hospital refused to help.

It is worth pointing out what the National Treatment Agency of Substance Misuse has said in its recent guidelines and press releases. I quote Professor John Strang:

"The message for specialist clinicians is that yes, injectable heroin and injectable methadone have a role to play in the treatment of drug misuse—but it's a limited role and one that needs to be developed very carefully".

There is no evidence at all of any diversion of drugs during Dr. Garfoot's time at the clinic. He was always incredibly assiduous in preventing the diversion of prescribed drugs to the wider community. However, back in 1992, there were complaints. Later, there were further allegations, and he was summoned before a Home Office misuse of drugs tribunal on charges of alleged irresponsible prescribing. After an analysis of 1,500 prescriptions, there was no sign of any discrepancy whatsoever. Dr. Garfoot was cleared by the then Home Secretary and there was a finding of abuse of process against his accusers. The cost of that case ran into thousands of pounds.

In 2000, however, the interim audit committee of the General Medical Council imposed serious restrictions on Dr. Garfoot. He then went to the professional conduct committee of the GMC in September 2001, and there was a finding that his name should be erased from the medical register on the grounds of serious professional misconduct. He took a decision to appeal to the Privy Council, but, unfortunately, he lost.

It goes without saying that the case has been a total disaster for Dr. Garfoot, but it is also been an even bigger disaster for the patients at the clinic. The clinic carried on for a while after Dr. Garfoot left, but it was unable to continue to provide the same level of treatment. A number of patients left, 21 of whom have subsequently died. Many others have returned to a life of crime and prostitution, and they are now back on the conveyor belt that leads to crime, inadequate treatment and back to crime again. Only last week, Dr. Garfoot told me that he had two very distressing calls from former patients who were in total despair about the lack of treatment available to them.

What is also very unfortunate about the case is that, following the Shipman case—no doubt, with the best of intentions—the then Secretary of State for Health, now Chancellor of the Duchy of Lancaster, the right hon. Member for Darlington (Mr. Milburn), insisted that the GMC should increase the period before which a doctor erased from the medical register could apply for reinstatement from 10 months to five years. An exception was made for doctors whose cases had been completed already. No doubt as the result of an oversight, no such provision was made for those whose cases were currently in progress.

At the time, I wrote to the Secretary of State to say how desperately unfair that was to Dr. Garfoot. He had been advised in writing at the outset—the hon. Member for Bolton, South-East has seen the letters—that restitution could be applied for after 10 months. His case was conducted from beginning to end in line with that regulation. It was not until the case had been completed that he was informed of the changed procedure. I simply submit that natural justice must cut in and lead the Secretary of State to intervene. He should investigate not only the case of Dr. Garfoot, but those of several other doctors in exactly the same position.

As the hon. Member for Bolton, South-East pointed out, in the year in which Dr. Garfoot was struck off, 20 other prescribing doctors suffered a similar fate. One such doctor was Dr. John Marks. After his clinic in Widnes closed, 42 deaths occurred in two years. The hon. Gentleman also mentioned the case of the Stapleford clinic, which is ongoing and thus sub judice. The situation is serious because we are losing doctors such as Dr. Garfoot.

Dr. Iddon: I am not sure whether Dr. John Marks, whom I know quite well, was struck off. I think that his practice in Widnes folded because the health services that were supplying him with patients stopped his funding. He was practising the British system of drug treatment, but that system became unpopular, so we are now using the American system.

Mr. Bellingham: I am grateful to the hon. Gentleman. I can check the facts, but I know that the doctor is currently abroad—I think that he is in New Zealand at the moment. The hon. Gentleman will agree that there is no disputing the fact that 42 patients in Widnes died over two years, which is horrific and appalling.

It is absurd that at a time when we have a serious shortage of GPs, such doctors are not allowed to go back into general practice, at least. It is one thing to strike them off and prevent them from earning their living for five years, but Dr. Garfoot is living in King's Lynn with his father, who is a well known Methodist minister. He is unable to earn a living, but there is a shortage of GPs in the area and practices are crying out for locum support. Such doctors should certainly be allowed back into general practice and be able to return to treating drug addicts in due course, because as I said earlier, there is a chronic shortage of GPs working with drug addicts in this country. I hope that the Minister will address that point in her winding-up speech. If she does not have time to cover the case of Dr. Garfoot, will she write to the hon. Member for Bolton, South-East and me about it? We feel strongly about the matter because an individual has suffered a gross injustice and there has been a huge loss of someone who was able to work with drug addicts, save lives and make a real difference and impact.

The Bill can make an impact. I support a lot of it, which is why I am glad that we will vote for it. However, it takes perhaps too narrow an approach. The Government can succeed in their drugs strategy, but not if they view the Bill in total isolation. They need to combine it with the wider measures that I cited. If they do that, we can continue to make progress on a non-partisan, cross-party basis.

5.8 pm

Mr. John MacDougall (Central Fife) (Lab): I also welcome the Bill because my constituency of Central Fife has had numerous problems with drugs over the years that many of the Bill's measures attempt to tackle. Although many good points have been made today and we will have the opportunity to consider the Bill's measures in greater detail in Committee, we cannot underestimate the devastating impact of class A hard drugs on Central Fife and no doubt on other communities throughout the country.

Drugs do not have an impact on only the people who use them, but, as the Bill tries to point out, they have a wider impact by indirectly affecting the neighbours of users. I know from public consultations that people complain about finding needles in their back gardens. Unsuspecting children are under immediate threat

[Mr. John MacDougall]

because their parents cannot protect their well-being. We must find a way to try to minimise the likelihood of such events taking place, and I believe that the Bill addresses that threat.

The difference between drug use in a poorer community as against that in a wealthier community is that drugs in a wealthier community can be much more easily resourced whereas drug use in a poorer community leads to the accrual of money to fund that habit by illegal means. Therefore, the impact on a poorer community is all the greater. It would be no surprise to find—it would be an interesting survey—that the impact on a poorer community is a higher increase in crime.

Jim Sheridan (West Renfrewshire) (Lab): My hon. Friend is right to identify areas of drug misuse, especially in deprived areas such as my constituency. Does he agree that the problems could be resolved if people, especially young people, were offered quality jobs and quality opportunities? Would he further agree that projects such as the new deal have particular applications for young people? If the new deal was not in place, there would be even further drug misuse.

Mr. MacDougall: I thank my hon. Friend for raising that point. The ability to finance a drug habit would remove the need to steal, but I am sure that he would agree that the real issue is how to deal with the habit itself and how we encourage rehabilitation. Some of the more interesting points raised today have been about other countries and their approach to drugs. We can all learn from taking into account what does and does not work elsewhere. That is a sensible approach to a complex issue to which I believe there is no one answer.

Mrs. Gillan: I wonder whether the hon. Gentleman can help me on a point of clarification. I have read clause 24(6) and I understand that the significant majority of the Bill applies only to England and Wales and does not cover Scotland. Is that his understanding? As he was speaking, it seemed that he was suggesting that the Bill would affect his constituency in Scotland, and I do not believe that it would.

Mr. MacDougall: I thank the hon. Lady for raising that point. As I said at the offset, I wished to bring to the debate the experience of a community. I was not suggesting that the Bill will impact on that community, but I thought that it would be helpful to the House to learn from the experience that I wish to describe. It is extremely relevant to the content of the Bill.

Tragically, in Central Fife—I am sure that there have been similar cases in other constituencies—a young man lost his life during the Christmas period. During that period, on two or three occasions when we should have been celebrating, there were headlines in the press and articles that were full of the family's bereavement. The sad feature is that the young man had just come out of prison, where he had been for using drugs. That highlights the point about the need to concentrate on rehabilitation where possible and to accept that not all people will be able to be rehabilitated.

My hon. Friend the Member for Bolton, South-East (Dr. Iddon) said that we cannot force rehabilitation. A horse can be taken to water but it cannot be made to drink. I accept that there will be people who cannot benefit from rehabilitation. I recognise, however, that excellent work is being done in my constituency through the use of drug treatment and testing orders. We are still waiting to see the outcome of the results, but, so far, they seem to be heading in the right direction. More time will be needed to assess whether there is an upward trend, a hopeful trend, or whether the approach is not as successful as we hoped that it would be.

Brian White (Milton Keynes, North-East) (Lab): Does my hon. Friend accept that if people relapse, they need extra support to go back on a programme? They should not be written off, as that extra support often makes the difference.

Mr. MacDougall: I agree. My hon. Friend the Member for Bolton, South-East spoke about the need for rehabilitation centres, and cited Manchester as an example. We cannot have them everywhere, but that does not mean that we should not have them at all. If we do the obvious, we simply impose greater responsibilities on the courts, which are already overcrowded, and on the judicial system. That is not helpful to the country.

Drugs are a complex issue, and we have heard figures about the costs involved. A drug habit is distinct from other habits, as the need to feed it extends far beyond the user and impacts on many others in the community, including the immediate family and colleagues in the workplace. Also affected are schools but, although I agree that there is a problem, it is not as widespread as has been suggested. On several occasions, my constituents have expressed concern that drugs are being pushed in schools. We must consider to what extent that is the case, but we should not exacerbate people's fears, as that does not help us to tackle the problem.

Drugs have an impact on the health of the individual, and the health service is called on to assist people who have overdosed. Such incidents have implications for the NHS and for the family, who undergo a trauma, and may require medical support themselves. Different drugs have different effects. The difference between cocaine and heroin has been mentioned—one is an upper and the other is a downer—but both bring out another side of someone's character. Some drugs make people aggressive, but others calm them down. Someone who takes a drug that makes them aggressive can be a threat to the community, and that must be tackled, with a cost to supporting services and the courts. The Bill provides us with an opportunity to look afresh at those difficulties that can arise in communities.

There is a need for strategic working, and local authorities, health services, Parliament and other nations that have experienced the problems of a drugs culture have a key role to play. I recently visited Holland. My hon. Friend the Member for Bolton, South-East spoke about his experiences there, and I found out that Rotterdam had a very different policy from Groningen in the north. There were different geographical and cultural problems—one place was more rural, but the other was city-dominated, so they dealt with drugs differently. Reference has been made to a bold attempt in Rotterdam to remove drug users from the streets. A deliberate political decision was made, and

they were banned from the city. However, that only pushed them into other areas, and did not solve the problem. Everything in Holland is not right, but many things there are worthy of examination. For example, the UK has, I believe, adopted its policy of ensuring that addicts have an opportunity to acquire clean needles, which are important in stopping the spread of disease. By taking a positive approach to tackling such problems we are supporting not the habit but an illness. We also prevent disease and avoid the need for further medical support. We can learn from these and other measures, such as the use of methadone, that have been adopted by other countries including Holland and Sweden, which have been highlighted today.

The Bill complements the Proceeds of Crime Act 2002. The Government have consistently moved in the same direction, with increasing momentum. The 2002 Act deals with a larger and more serious issue. We should not forget that the tragic events of September 11 were largely funded by the proceeds of drugs crime, which trickle down from such a major disaster to the small human disasters in our communities, such as that of one individual losing his life in Central Fife, which is a major disaster to his family. The entire drugs industry causes nothing but chaos and must be dealt with. Drugs are big business, which brings with it, sadly, big pain.

We rarely get an opportunity to watch TV, so I do not know how many other hon. Members watched a very good BBC television programme on cocaine the other evening. The programme highlighted the economic problems arising from the drugs culture and showed the poor farmers who farm the coca leaves. All they were interested in was earning a living by doing what they do best—growing coca leaves. The coca market collapsed, another buyer offered to buy the leaves from the farmers, and paid not much more than they were getting before, but it was their living so they sold their product, which was turned into cocaine for the market. The farmers had no option. That was their only opportunity to use the skills that they had. The problem was a system that allowed the cocaine dealers to go in and take advantage of people who were trying to earn a living. That economic problem must be tackled if we are to make a difference to the drugs culture.

I must compliment my hon. Friend the Member for Bassetlaw (John Mann). Because of my interest in the subject through my constituency and through the substance abuse group, of which I am officer, I know that my hon. Friend has, throughout my time in Parliament, shown great stamina in addressing the issue. He has always articulated his case extremely well in the House. His positive contribution today and the warnings that he gave were equally impressive.

The Bill tackles a serious antisocial problem in our communities. If we do not act, people will accuse us of doing nothing to tackle a problem that impacts upon them in various ways, whether it affects a son or daughter, a distraught mother, a loved one or a colleague who is lost, or some youngster taking drugs at school and influencing other youngsters. The impact on one person affects an entire community, such as mine. I hope the experience that I outlined today illustrates why I believe the Bill should be supported. Without any disrespect to my hon. Friend the Minister, I hope that the Bill will return to the House in improved form, in the best interests of the House and, more importantly, of the people of Great Britain.

5.24 pm

Tim Loughton (East Worthing and Shoreham) (Con): I do not want to make a long contribution, which is somewhat out of character with the debate so far. It has been an interesting debate, however. I want to make two main points, mostly related to treatment services and the connections with mental health.

The Opposition support this Bill. It is only a start, however, and will not on its own address the continuing surge in drug use in this country. It must be seen in that context. It might grab some headlines, but it is only one small part of the jigsaw, which we need urgently to piece together. I will support the Bill, because I will support anything that clamps down much more heavily on those who make a living out of peddling this poisonous and destructive trade.

Throughout this debate, we have heard many figures from different Members. The figures make terrifying reading, however, particularly in relation to abuse and use by young children. British crime survey figures indicate that 12 per cent. of 16 to 59-year-olds have taken illicit drugs in the last year alone, of which 3 per cent. used class A drugs. There are 3 million cannabis users in the country, a quarter of whom are between the ages of 16 and 24, and we know that users are getting much younger all the time. Two in five 15-year-olds in the UK have tried cannabis—more than in any other country in Europe. Certainly, I support any measures to clamp down on anybody trading in drugs around schools and other youth facilities and preying on impressionable youngsters.

We also need to clamp down on drugs cafés, with which the Bill does not appear to deal. Worthing has had a rather grisly experience of cannabis cafés and how they can lead to the hard drug trade and suck in serious crime and serious criminals to a profitable activity. A couple of years ago, in Worthing, no fewer than three cannabis cafés set up trade in the town centre, one in my constituency, and the other two in the constituency of my hon. Friend the Member for Worthing, West (Peter Bottomley). The one in my constituency was originally set up under the benign, well-intentioned guise of being the headquarters of the Legalise Cannabis Alliance. It was set up almost as a social service, in particular advertising its services to elderly people suffering from multiple sclerosis and rheumatic problems who could come along and have discounted drugs made available to them—very community spirited of it, I am sure.

The problem was that it was not just the equivalent of a bingo club to which people could come and go and dabble in soft drugs as they please. It became a nightmare for local residents, attracted all sorts of low life, with dealers hanging around near schools, and caused havoc in local mental health residential establishments' halfway houses, whose staff were run ragged because patients were attracted to it. Violence occurred around it, with problems of noise and so on.

Despite the fact that what was going on was quite plain, it took more than a year to shut down that establishment, notwithstanding several raids by the police and intensive, costly policing. It celebrated its first birthday party with a great big cake—goodness knows what was in it. I was kindly invited to that party, but I declined the invitation. It gloated, however, that it had

[Tim Loughton]

been allowed to carry on this trade for more than a year. Eventually, due to a lot of hard work by the local council and local police in particular, that café was closed down, to the great relief of local residents.

Soon after it was closed down, a delegation of those who had run it came to one of my surgeries to complain that it had taken the police so long to close them down. What a waste of police resources it had been to take more than a year to close down what was clearly an illicit activity. It sounds rather comical, but however well intentioned or not one might think that the original people who set up the establishment were, it had been overtaken by some more sordid sorts. More serious hard drugs were circulating through it, and it was becoming a real cash cow and a lucrative little business, with all sorts of criminals getting attached to it. That is what can happen. Regardless of what is and is not in the Bill, the Government must make it much easier for the police—as I hope that certain parts of the Bill may do—to stamp on such activities the minute that those involved put their heads above the parapets. I support any measures that make it harder for such establishments to open up in the first place and easier for the authorities to close them down as soon as possible. I also support any moves that make it easier to close down dealers who, as we have heard from several hon. Members, use children, often as young as 11, 12 or 13, as their runners.

Dealers are extremely clever in outwitting the police and police raids, and I have seen that problem in my constituency, where they have been getting away with it at one notorious place, which is literally within 100 yd of a local police station. We must make it easier to prosecute those who are clearly running rings round the law as it stands.

A worrying fall has occurred in the price of drugs. As one newspaper put it, it is now cheaper to buy a line of cocaine, which has fallen in value to as little as £39 per gram, than it is to buy a cup of coffee from a high street coffee emporium.

I want to raise two main concerns this afternoon. Any strategy to reduce drug use cannot rely purely on law enforcement against the perpetrators and must drastically increase the number of rehabilitation facilities and the extent of drug awareness and education programmes in order to reduce the clientele for drugs in the first place.

The treatment sector is still massively underdeveloped and too many programmes are not seen through. My hon. Friend the Member for North-West Norfolk (Mr. Bellingham) mentioned that too many people drop out early—they are allowed to do so—from treatment programmes, which must be tightened up. We need many more treatment programmes, but they must be suitable and well policed.

A little while ago, I visited a clinic for people with various addictions. I sat in a room with people who have drug, mental health or addictive shoplifting problems. I took off my jacket and introduced myself by saying, "I'm Tim. I'm a politician." That seemed to be one of the worst problems in the room—being a politician is rather more addictive than many of the problems for which those people were being treated.

I was struck by one individual, a young lad of 16 or 17, who had been on heroin and other serious drugs and who had run up a criminal record, mainly by knocking off cars to steal the radios and fuel his drug habit. He had attended various NHS establishments to obtain treatment, where he was invariably fobbed off with methadone as a substitute for his habit. Methadone had not got him off heroin, but the free dose had pepped him up sufficiently to knock off more cars and sell more radios in order to buy heroin, which is what he really wanted. He was in a vicious circle, which that innovatory clinic, based in Kensington, fortunately got him out of by using a completely different treatment. Treatment too often consists of what is easiest and most convenient, because suitable treatment is not available. We must examine how we can treat such people much more intelligently.

Last year's reclassification of cannabis was accompanied by a wishy-washy, low-impact advertising campaign, which cost the Government rather less than £1 million, to remind people that cannabis was still illegal. It failed dismally, because as we know, nine out of 10 children think that cannabis is legal, and it also failed to mention any link between cannabis and mental health problems. Ironically, when cannabis was reclassified and when the advertising campaign was supposedly highlighting the dangers of drugs, drug education officers were being withdrawn from schools due to a shortage of funds. While central Government were sending out the message that cannabis is not especially harmful, the real message that all drugs are poisonous and harmful, which we must start to put across in schools, was not getting through.

John Mann: For the benefit of the House, will the hon. Gentleman tell us precisely which schools have had drug education officers removed from them?

Tim Loughton: I cannot give the names, but at least two education authorities were cited at the time, a year ago, and it was mentioned in the national press as well. It is not just anecdotal. There were serious pressures on drug education officers in schools at a time when cannabis was being declassified and it was most necessary to get across the vital message that had been distorted by the actions that the Government had wrongly taken.

I share the concerns of Turning Point, in particular, about the need for treatment in the community for drug users who have not committed a crime and for whom prompt access to suitable, appropriate treatment could keep them off the slippery slope of drugs and crime—the vicious circle that I mentioned.

In all the areas that I have mentioned there is a need for much better joined-up, inter-agency working between the Prison Service, youth offending teams, schools, youth services, health services, social services and the police. We need to ensure that the professionals are on the ground working at the sharp end with people who have these problems. If we do not get those structures right, the Bill will not count for much. It is just one part of the jigsaw.

Jim Sheridan: The hon. Gentleman is right to say that we need joined-up government. Does he include devolved parts of the UK in that?

Tim Loughton: Drugs dealers are no respecters of national boundaries. It would be crazy if cheaper supplies of cocaine came south across the border from Scotland or vice versa, and absurd if one of the effects of devolution was to create drug soft spots in certain parts of the United Kingdom. I hope that that is not one of the after-effects of devolution. It is absolutely essential that we are tough on drugs, be it through this Bill in this House for England and Wales or through similar measures in other parts of the United Kingdom that the Bill does not cover.

We need much better joined-up working so that people who have committed low-level antisocial behaviour offences and have not been poisoned by drugs do not end up in custodial sentences shoulder to shoulder with hard-line drug users and pushers. We need to strike the right balance between coercing offenders into drug rehab treatment and ensuring that the right facilities are there for them early on in order to help them kick the drug habit.

I said that I did not want to speak for long, but I have taken several interventions. My second and final point, and my main worry, concerns the connections between drugs—not least cannabis—and mental illness. My hon. Friend the Member for Chesham and Amersham (Mrs. Gillan) touched on that. The report that came out before Christmas was alarming. We know about the physical effects of drugs, including smoking cannabis. We know that cannabis burns at a much higher temperature than tobacco and that the smoke is drawn much deeper into the lungs, making them much more susceptible to cancer. We know that smoking three joints is the equivalent of smoking more than 20 cigarettes in terms of damage to the lungs. We know that there is evidence that when pregnant women smoke cannabis it brings about changes in the brains of their children that can manifest themselves much later on.

We know about the physical impacts, but the report that came out before Christmas underlined the potential mental health impacts. There have been about 15,000 scientific papers on the effects of cannabis, but what is different about the paper that came out before Christmas is that it directly links the effects of cannabis to mental health outcomes, particularly among young people. It shows:

"Half of regular smokers of cannabis who are psychologically vulnerable to its effects may end up needing treatment for psychosis . . . Up to 10 per cent. of the adult population, almost four million people, has a tendency to paranoid thoughts or grandiose ideas and may be tipped into psychotic delusions by the effects of the drug".

The four-year study of 2,500 people aged 14 to 24 found that, of those who smoked cannabis regularly and had a pre-existing risk of psychosis, no less than 50 per cent. developed psychotic symptoms. That is twice the rate of those who did not use cannabis and more than three times the rate of those who were neither vulnerable nor took the drug. Those figures are pretty alarming.

Cannabis produces strong psychological as well as physical dependence. It occupies the same receptor sites in the brain as heroin and morphine. In 1997, 200,000 people in the United States were admitted to hospital treatment programmes with cannabis dependence, with 65,000 of them admitted as emergencies. We have already heard that the effect of cannabis in modern times is much more powerful than it was in the 1960s. The average THC content was 0.5 per cent. then, against 5 per cent. nowadays. That depends on the brand, but as we know, skunk is much more powerful than the cannabis of the flower-power period of the 1960s.

Dr. Paddy Power, a psychiatrist at Lambeth hospital in south London, who has appeared as a witness before the pre-legislative scrutiny Committee on the draft Mental Health Bill, on which I serve, said that cannabis is a factor in 70 per cent. to 80 per cent. of psychosis cases—people whom he sees day in, day out.

Dr. Iddon: The hon. Gentleman cites the myth about the THC content of the cannabis on the street today being much higher. Does he accept that much of the cannabis on the streets in Britain today comes from Morocco? When he talks about high THC content, he means the stuff that is grown by people in Britain to sell separately on the street. However, the vast majority of the stuff comes from countries such as Morocco and is not skunk.

Tim Loughton: Absolutely. There are also other varieties. I do not claim that the majority of people use skunk. Many other varieties, which are much more powerful than the average, are readily available. Perhaps it is more worrying that many people do not know what they are smoking. They do not know whether they are smoking something much stronger and whether they can handle it—some people cannot. However, I believe that the hon. Gentleman would agree that the average strength of most of the cannabis that is freely available is much more potent than anything that was available in the 1960s. I do not say that: the scientists do, especially those behind the reports on the links with mental health.

In 1987, a study of 500,000 conscripts in the Swedish army—one of the biggest studies—revealed that those who admitted at the age of 18 to taking cannabis on more than 50 occasions were six times more likely to develop schizophrenia in the ensuing years. A Dutch study in the *American Journal of Epidemiology* in 2002 found that those taking large amounts were seven times more likely to develop psychotic illness, and the well-known New Zealand study from Dunedin found that those who used cannabis when aged 15 were four and a half times more likely to develop psychosis by the age of 26.

According to those studies, in some young people, cannabis may interact with a pre-existing genetically or environmentally determined vulnerability of the nervous system to develop psychosis. Whatever view one takes of the science, even if one does not believe that cannabis and other drugs directly cause mental illness, it is incontrovertible that it can act as a trigger for latent conditions. That is why there is such an increase in those conditions. That costs a lot of money. According to a Professor Henry, an estimated £1 billion a year is spent on schizophrenia. That is 3 per cent. of the NHS budget. Increasing the use of cannabis could cost the health service an extra £330 million annually.

Reclassifying cannabis was a mistake: it sent all the wrong messages and caused great confusion, especially

[Tim Loughton]

among young people. Marjorie Wallace, the chief executive of the mental health charity SANE, reiterated her opposition to reclassification. She said:

"These studies are showing links between cannabis and schizophrenia and illnesses like it, which we have suspected anecdotally for many years.

In many instances cannabis is the trigger for the schizophrenic breakdown. We would oppose re-classification."

She went on to say:

"We have 1,000 calls a week on our helpline, of which 36 per cent. are from psychotics. Among all those young men I have interviewed on the helpline, with only one or two exceptions, cannabis was involved."

These are people's experiences; these are the facts. We know that obesity and a lack of exercise are the precursors of heart attacks. Now, we are learning to identify the precursors of psychosis. Mental health professionals are warning of these dangers much more than ever before. Dr. Robin Murray has said that cannabis is the No. 1 problem facing the mental health services in inner cities.

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): Professor Robin Murray has now been mentioned twice in this debate. Is the hon. Gentleman aware that, despite Professor Murray's concerns about those who have a propensity to mental illness using drugs of any kind, including cannabis, he was not against the reclassification of cannabis to class C—

Madam Deputy Speaker (Sylvia Heal): Order. I should like to bring the debate to order, and to remind the hon. Gentleman that, although this is a Second Reading debate, it would be helpful if he could now make some reference to the contents of the Bill.

Tim Loughton: Of course, Madam Deputy Speaker. My main reference point is the fact that the Government have not seen the error of their ways and taken the opportunity to change the classification of cannabis in the Bill.

A particular problem exists in relation to dual diagnosis. People with mental health problems who also have problems with addiction, particularly to hard or soft drugs, are being let down. Theirs are the worst cases of all. All too often, they might be able to access treatment for their mental health problem—or occasionally for their drug addiction—but then have to wait another six to nine months or more to get the other part of the equation dealt with, by which time they have slipped back down the slippery slope. We must ensure that all the appropriate treatment for people with a dual diagnosis is available as a package. It is ridiculous to get someone off a drug problem that has led to a mental health problem without treating the mental health problem. It could lead them to revert to drugs if they have to wait another nine months for the other part of the package. We need much better joined-up thinking when dealing with patients with a dual diagnosis involving drugs and mental health.

I support tougher measures against those who profit from the drugs trade. I also support measures to make it as easy as possible for the police to act against the real criminals. The Bill will fail, however, unless it forms part of a package that includes better rehabilitation and joined-up services, and better education to teach young people to stay away from drugs in the first place. We need to concentrate on the links between drugs and mental illness.

We also need to give to drugs, and their link with mental health problems, the same priority that we give to the message that drink-driving kills innocent people, to the message that excessive drinking can rot the liver and lead to violence and premature death, and to the message that smoking can cause heart disease and lung cancer, and can kill us prematurely. All these things—hard drugs, alcohol and tobacco—are poisons that are bad for us when used in excess. The Bill on its own will not achieve these aims, and the Government need to do much more about prevention, education and rehabilitation. If they can do that, the Bill will form an important part—but only a part—of the jigsaw involved in dealing with the real drugs menace that is overtaking too many inner cities and other parts of the country.

5.48 pm

Mr. Ken Purchase (Wolverhampton, North-East) (Lab/Co-op): It is a pleasure to follow speakers of this calibre and to listen to a debate that is so well informed. We have all learned a great deal more about this vexed subject from each other this afternoon than we knew before. To summarise the purpose of the Bill, it is to tackle drug addiction and the harm that it causes to individuals and communities. That is wholly to be commended. I have heard some hon. Members taking a somewhat clinical approach to this matter, concentrating on how we should tackle addiction once it has occurred. I think we must start a little before that.

Perhaps this is confession time. My first experience of drug-taking was in the early 1950s, when I was an habitué of Wolverhampton and west midlands jazz clubs. To be honest, at that age most of us thought that grass was something you got out of the front garden, but people were smoking it surreptitiously, although there was very little evidence of heroin or cocaine use. We knew the famous American song with the line

"I get no kick from cocaine".

In fact, it featured very rarely in the ordinary lives of people out to enjoy themselves. It was very much an American phenomenon.

It was in the context of my interest in the world of jazz that I was shocked to learn of the death of an icon of the modern jazz movement, Charlie Parker. Some Members may have seen the Clint Eastwood-directed film "Bird", which followed the track of that wonderful musician's life and his downfall through the use of drugs. It featured a scene showing the death of Charlie "Bird" Parker. His middle name, by the way, was Yardbird, which is how he came to be known as "Bird".

A doctor was called, rushed in and examined Charlie Parker, who was lying on the ground. He started to write a description: "Negro, 14 stone, 5 ft 9 in, aged approximately 70". Charlie's girl friend said "No, no—he is 35." The doctor replied "Well, what a life that guy led! Give me some of it." The truth is, though, that all that magical stuff ended in tragedy simply through addiction to drugs.

Later in Wolverhampton there was a wonderful UK musician called Tubby Hayes. He was the best—but he was mainlining at the age of 21, and dead at 28. That is what happens to people. At least they have produced wonderful music for other people, but it would have been much better had they not been using drugs. Musicians often say "But you play so much better when you've got that buzz." Charlie always said "I thought that, until it nearly killed me three or four times. You don't play better, you play worse. You just think you are playing better." What sad, tragic incidents there have been.

In the mid-1970s I was a voluntary worker for a youth organisation in Wolverhampton. At that time there were no more than half a dozen or so known heroin addicts who mainlined. Two of them died, tragically—they were quite young—but not before they had been through the horrendous experience of having terrible cysts on their legs and arms. We used to bathe them in an attempt to do something for them. It was the most awful sight that could be imagined: young people who had done that to themselves.

When I expressed bafflement—why did those addicts put up with it?—people explained to me that they were "addictive personalities". I am in no position to argue with that: it is probably true that some people have what are known as addictive personalities to a greater or lesser degree.

John Mann: My hon. Friend speaks of addictive personalities. It may surprise him to learn that the overwhelming majority of Bassetlaw's heroin addicts—more than 90 per cent.—come from coalmining communities ravaged by unemployment, rather than from the middle-class or rural communities that happen to constitute half the population.

Mr. Purchase: No, it—

Madam Deputy Speaker: Order. May I again remind hon. Members of the content of the Bill that we are discussing this afternoon?

Mr. Purchase: Of course you may, Madam Deputy Speaker, and I accept your point entirely. I am trying to demonstrate, for the record, the horrors associated with the consequences of drug taking and with the worst drugs known to humankind. The Government are trying to tackle those horrors, and it is extremely important that such efforts be made. I of course ask for your forgiveness, Madam Deputy Speaker, and I intend to stick entirely to the point of the Bill, which is to deal with those consequences.

Sometimes, we know more of such matters from our personal experiences than even learned Members of this place can tell us about. The reputation of a Wolverhampton estate that I represent was totally ruined by the presence of drugs, and in just the ways to which my hon. Friend the Member for Bassetlaw (John Mann) referred: through poverty, lack of opportunity and poor facilities, and above all through unemployment and slipping into illicit work patterns such as prostitution, drug pushing and petty crime. Those are the social consequences of having insufficient money to live decent lives.

The Bill tries to address such problems when they occur, but we have to deal with them before they get to first base. We should not be prepared to tolerate unemployment in the 21st century. We certainly should not tolerate it to the point where whole families are unemployed, there is no culture of work, the work ethic means absolutely nothing and some believe that wealth comes from a giro cheque. Many Members will have been visited at their Saturday morning surgery by, say, a young woman with two or three children who says, "But how do they expect me to manage on this?" What are such people talking about? They mean a giro cheque. They do not know who "they" are. They have no understanding of wealth creation and no knowledge of caring for themselves through going to work. That is the problem that we must tackle. Being sympathetic later to the consequences of drug addiction is hardly a help at all.

I apologise to those of my hon. Friends who know this subject well—including the technical and clinical aspects—but I must point out what I see, which is absolutely horrendous. The entire population of an estate in my constituency, consisting of 1,200 houses, is now ashamed to say where they live. The situation is improving bit by bit and we are clawing our way up the ladder. Much of the problem is caused by factors such as gangsterism. Wherever there is poverty, we can be sure that a gangster is there who is willing to wind the situation up a bit more, to crush and screw people, and to ensure that part of whatever they do have belongs to the gang or to somebody's minder. We see young women—perhaps not even turned 16—tarted up in the most appalling manner, and we know that they are touting for trade. Allowing such things to happen destroys and demeans us all. Sympathy is fine, but when people are off their heads on drugs and do not know what they are doing, it is too late. We have to deal with the underlying social causes that bring these situations about.

When I entered this House in 1992, one of the first issues that I dealt with was LSD, the first two letters of which stand for lysergic acid. I do not know what the last one stands for.

Dr. Iddon: Diethylamide.

Mr. Purchase: I thank my hon. Friend very much. Throughout the 1950s, clever-dick doctors—

Dr. Iddon *indicated assent.*

Mr. Purchase: Throughout the 1950s, doctors conducted a series of clinical trials under laboratory conditions, through which they administered LSD to people suffering, in their opinion, from mental problems. As the hon. Member for East Worthing and Shoreham (Tim Loughton) mentioned earlier, the link between drugs and mental illness is quite well established. These doctors, particularly the one in the west midlands, decided to conduct a series of clinical trials that would determine whether lysergic acid could help to improve mental conditions. The upshot—not just in the west midlands but throughout the nation—was that more than 1,000 people were left, as a result of a closely controlled clinical trial with LSD, with the most severe sort of mental illnesses and disturbances

[Mr. Purchase]

imaginable. It took eight years finally to get a case to court and, in the end, there was a minor pay-out on the grounds that the duty of care had not been fully exercised.

We all express considerable sympathy and talk about access to treatment, saying that this and that must be done. Even under those near perfect laboratory conditions, however, the application of those unstable substances had unpredictable outcomes on different personalities. Clearly, even under those conditions, we did more damage than good.

Whatever else is true, we must try to educate our youth on how to avoid the use of drugs—and I include alcohol. Let me say bluntly that the idea of having 24-hour licences—*[Interruption.]*

Madam Deputy Speaker: Order. I really must ask hon. Members to relate their comments specifically to the Bill. They should explain how their experiences can helpfully shed light on particular provisions in the Bill.

Mr. Purchase: Indeed, Madam Deputy Speaker. The question of the police powers granted by the Bill is interesting. The police have many duties and it seems to me that, unless we tackle these problems at source, we shall be placing a load on the police, which is bound to detract from their other important work. We should not exclude from consideration the issue of drunken behaviour, which is a serious problem, as are burglaries and many other crimes that are being committed in our communities as we speak.

To conclude, it is noble and proper that the Bill should tackle the problems of drug addiction and all the harm that it causes. However, it is even more important to look at how society operates in order to understand how the opportunities are given to the criminal classes to squeeze those who live in poor circumstances. As I say, that is far more important than the Bill itself. I wish the Bill well, but I know that when it is passed and the real work starts, we will still have serious underlying problems—in our nation and perhaps elsewhere—that will ultimately have to be dealt with in social and economic, rather than clinical, terms.

6.3 pm

Angela Watkinson (Upminster) (Con): I apologise for my yo-yo attendance during the debate. I was in my place for the opening speeches, but I had diary commitments that pre-dated the time at which I realised that I would be sitting in Committee on this Bill.

The Bill will command cross-party support, and I am afraid that I have no interesting personal confessions to make on the subject. I want to concentrate on the proposed new subsection 4A(4) to (7) in clause 1—it is an insertion into the Misuse of Drugs Act 1971—which relates to the dealing of drugs in the vicinity of schools. I am a little concerned that the provision specifies one hour before a school opens or after it closes. I wonder whether that will be sufficient. I am a governor of one particular secondary school and I know that it carries out activities over a much longer period than that. Perhaps we could discuss the issue in Committee, as many schools conduct activities in the evenings and have homework clubs, breakfast clubs and so forth going on.

Caroline Flint: The Bill does cover that. The proposal about one hour before and after the school day would apply outside term time too. We recognise that schools are at the centre of their communities and that young people should be able to use them in the holidays as well as before and after the school day. However, we can look at the clause in more detail in Committee, to assure hon. Members on this point.

Angela Watkinson: I am grateful to the Minister for that response. We need to ensure that the restrictions that we put in place will be adequate.

I shall concentrate on why I think dealers are attracted to schools, almost like bees around a honey pot. I anticipate the intervention that the hon. Member for Bassetlaw (John Mann) wants to make by saying that the reason for that is that schools offer a ready source of customers. As I have said many times, I blame the style and content of drug education material for the level of demand. That material is misguided. We could do more to reduce demand, and the levels of drug taking among young people, if we stopped concentrating on harm reduction and concentrated instead on prevention. Most of the literature used to support drugs education concentrates on harm reduction and on the provision of comprehensive information about every aspect of drugs and their consumption that one could possibly imagine—and about some aspects that one could not imagine.

John Mann: The hon. Lady speaks about drug dealing outside schools. Over the past 10 years, there has been an above-average number of arrests and convictions for drug dealing in my constituency, but I can find no examples of any such incidents taking place outside school gates. Can the hon. Lady give the House specific examples from her constituency of arrests and convictions for drug dealing outside schools?

Angela Watkinson: No, I cannot, but head teachers in my area and the local education authority tell me that drugs are in circulation and in use in our schools. We must do everything possible to prevent that.

I shall give a couple of examples of printed material that I think is misguided and going in the wrong direction. It may be well intentioned, but its effect is the exact opposite of what we would want. I shall quote a paper by Mary Brett, who is well known to all of us who take an interest in this subject. Until recently, she was head of health education at Dr. Challoner's grammar school in Amersham. She says that the press

> "have widely publicised the true and very alarming picture of the relationship between cannabis and psychosis, and the steady increase in the number of young psychiatric patients, 80 per cent. of whom have a cannabis history. A fact that is well played down by FRANK . . . FRANK merely suggests that 'some people can get anxious and paranoid especially if they are smoking the stronger varieties'."

By urging young people merely to take precautions and reduce the possible harm caused by cannabis use, I believe that we are missing an opportunity to warn them

and so prevent them from using cannabis in the first place. Brett goes on to state:

"*On average*, the THC content today is 5 per cent. compared with 0.5 per cent. in the sixties—10 times stronger . . . Its THC strength can vary from 9 to 27 per cent. FRANK says, 'Some people may find it too strong and the experience disturbing, while others may enjoy the greater effects'. What about those who may have an acute psychotic episode requiring hospitalisation? Why mention the fact that 'increasing amounts of this are being home grown for private use'?"

To Mary Brett's mind, that is almost "an invitation to experiment." She goes on to say:

"It is irresponsible to say that physical addiction is unlikely. Around 10 per cent. of those who ever try the drug will become addicted according to Professor Wayne Hall, the Australian researcher. And, out of the 6 million drug addicts currently in the USA, around 4 million are cannabis-dependent."

I imagine that all hon. Members received the briefing paper from the London Drug Policy Forum, in preparation for this debate. The forum is funded by the Corporation of London. It has partnerships with the 32 London boroughs, central Government and regional government, drugs service providers, law enforcement agencies and community groups. It states that its intention is—in the buzz phrase used in all these publications—

"to reduce the harm . . . concentrating on what works to improve services".

DrugScope and Turning Point, in their briefing paper which I received today, say that they produced an alternative drugs bill last year, just before Christmas, which

"emphasises treatment provision, harm reduction and improving the capacity of the health service".

All those three factors are important, but they will not work unless we reduce the number of new addicts. Providing residential treatment would be wholly unaffordable if more addicts continued to come along. Unless we stop the source, we will not be able to afford to treat the addicts that we have already.

Then there is "Score". I do not know how many hon. Members have seen that delightful little publication, but it tells people everything they could possibly want to know about drugs—what they are, what they do, every possible drug on the market and what the law says about them. But it is entirely the wrong approach to provide lots of value-free, non-judgmental information to young people who are too immature to make adult decisions with it. They need guidance and they are not getting it.

Thank heavens—how appropriate—for the Christian Institute, which comes down on the other side of the argument. It comments:

"Even drugs education does not aim to discourage drug use. 'Harm reduction' in the drugs field is a philosophy which, instead of seeking to prevent drug use, seeks to reduce some of the damaging effects of drug use."

Dr. Iddon: I am not sure that I am following the drift of the hon. Lady's comments. Is she suggesting that no harm reduction material be published and people be allowed to die?

Angela Watkinson: No. What I said was that none of those strategies will work without drug misuse prevention. They have to be underpinned by prevention, but that is not happening. Harm reduction is a damage limitation exercise and it is not enough. We need far more than that.

Dr. Iddon: The hon. Lady is trying to mix two different things. We all agree that drug abuse prevention and education are important. In fact, I would increase the amount of money spent on that. However, once a young person has embarked on trying cannabis and other drugs, perhaps experimentally to start with, they should surely know what harm they could cause themselves and how they could avoid it.

Angela Watkinson: The two policies are not mutually exclusive. In fact, they fit together. Indeed, the hon. Member for Wolverhampton, North-East (Mr. Purchase) made that very point. We have to get to young people much earlier and prevent them from becoming addicted in the first place. Harm reduction comes afterwards. We need more prevention built into the publications that are available and education programmes. I rarely see any comment that tells young people that drug taking is illegal and wrong, and that they should not do it. Drug literature seems to concentrate entirely on the provision of information—a description of drugs, how to take them, what will happen if they are mixed and what the social effects are. We should concentrate instead on abstinence and prevention.

Mr. Carmichael: Is the hon. Lady suggesting that we return to the days of campaigns that suggested "just say no"? Does she not think that that was demonstrated not to work at the time?

Angela Watkinson: I am saying that, and it has been demonstrated that the current policy is not working either. Perhaps we should try both together. We should tell young people to say no first, but once they are addicted we clearly have to work on harm reduction.

John Mann: Has the hon. Lady seen the fascinating research that has been carried out by DARE in Nottinghamshire? It has shown that saying no to drugs is not the message that works. It has developed programmes to teach children how to say no to things that they do not want to do, including drugs. That has been incredibly effective with 11-year-olds and is now DARE's approach to drugs education.

Angela Watkinson: The DARE project is having a great deal of success. We need to give children the tools to say no. The same applies to sex education—

Madam Deputy Speaker: Order. Once again, I ask hon. Members to relate experiences from their constituencies or from organisations to the content of the Bill.

Angela Watkinson: Thank you, Madam Deputy Speaker. I am coming to the conclusion of my remarks. The tenor of what I was saying was that the chain of events that leads to dealers being attracted to schools, because there they have a ready supply of customers, relates to the style of drugs education in schools, which is, I believe, misguided and does not concentrate sufficiently on prevention.

[Angela Watkinson]

The hon. Member for Bolton, South-East (Dr. Iddon) suggested in his speech that drugs might be categorised according to the harm they do. That would put the responsibility fair and square on the users, who are often portrayed as victims, entirely devoid of responsibility for taking drugs. If we give them information about how harmful drugs are, they must take responsibility for their decision to take drugs in the face of all that information. In this debate, drug addicts are being portrayed only as victims. As has been said, 80 per cent. of drug addicts also have mental health problems, but 20 per cent. do not. That 20 per cent., who take illegal drugs for recreational use, must take responsibility for that decision.

Until that responsibility is taken, we must introduce tough love in what we are doing. As the hon. Member for Wolverhampton, North-East said, it is no good just feeling sorry for people. It is too late for that; we have to prevent them from becoming addicts in the first place. I will support the Bill, especially the strengthening of the law creating an aggravated offence in the vicinity of schools. I wish the Bill fair weather in Committee.

6.17 pm

Mr. Stephen Pound (Ealing, North) (Lab): Probably few words are used more and mean less than those that describe a particular debate as being of excellent quality and deep erudition, but I venture to suggest that this afternoon we have had such a debate. Certainly, it has been informed and the Members who have spoken have done so not just with the passion and commitment that we would expect, but from a well of deep knowledge.

Everyone has paid tribute to my hon. Friend the Member for Bassetlaw (John Mann) and I certainly add my voice to those in praise of him. My hon. Friend the Member for Central Fife (Mr. MacDougall) spoke with the authentic voice of his community.

My hon. Friend the Member for Bolton, South-East (Dr. Iddon) has yet again educated us in such a way that makes many of us wish that we had been his pupils at Salford—*[Laughter.]* My hon. Friend may not wish that I had been one of his pupils.

I want to make two points that are relevant to my hon. Friend's contribution. In a throwaway line when he was referring to the problem of drug distribution in Northern Ireland, he said that the IRA was responsible. In fact, hard drug use in Northern Ireland is confined solely to Ballymena, an area where the IRA's writ does not run. That organisation may have many faults but drug dealing is not one of them; we all know who is dealing the drugs.

My hon. Friend also referred to the need for there to be someone at the end of the phone line when there was a danger of relapse. I have done much work with Narcotics Anonymous, whose mentors are available when someone rings and we hope that we can respond. Often, we can do little other than offer sympathy and support, but the role of Narcotics Anonymous and its unpaid volunteers should be recognised.

I sometimes worry that I find myself agreeing with the hon. Member for Tewkesbury (Mr. Robertson) rather more than is probably healthy. He painted a glorious vision of a narcotics supermarket on the high street where one could choose between varieties—a pick'n'mix narcotics bazaar.

Until recently, such bazaars existed—one of them was called Harrods; one was called Whiteleys, and another, Dickens & Jones. Heroin and cocaine could be bought in Harrods. In about 1933, Lady Diana Cooper, the greatest beauty of her age, wrote very eloquently in her diary of spending a weekend with a friend, injecting themselves with heroin in Brighton. She referred to her anxiety of being, as she said, torn between desire and the deed before making the injection. In fact, they had bought the drug at a place called John Bell & Croydon in Wigmore street—so such places existed.

I hope that, if one thing has marked the excellence and seriousness of the debate, it is that we have perhaps moved on from the possibility of saying that utter prohibition is the answer to anything and that, to paraphrase a statement made earlier, it is possible to win the war on drugs. Few communities in the world do not have a drug problem. I understand that the Inuit were once drug free, but now have a drug problem. We must all face the problem.

I welcome the Bill because this is a jigsaw that must be brought together, as the hon. Member for East Worthing and Shoreham (Tim Loughton) said. The Bill contains sound, sensible provisions. It may veer more towards the stick than the carrot, but that is the nature of the Bill. I was worried about the prohibition on sale around schools when I first looked at it, but the reality is that people will search out new markets given that cocaine is on a price level with a cappuccino. One of the reasons the debate is both timely and necessary is that, as the prices fall, the need to expand the customer base will become even stronger and, yes, we will see drug dealers around the high schools. That may sound like a cliché from a horror comic, but sadly, it is the reality.

I support the Bill, except for one small point that has been touched on already: under clause 21, psilocin will be brought within the ambit of class A drugs.

Khat has been mentioned. I am grateful to my hon. Friend the Minister for her concern about that subject—she has spoken to me about it and has done a lot of research on it—but not everyone in the Chamber, if I may be presumptuous, understands how corrosive, vicious and pernicious the problem of khat chewing is, certainly in my part of the world, west London. Every morning, a plane disgorges its load of khat, which is then taken to Western international market and sold. Large numbers of people in west London chew khat all night long, becoming increasingly aggressive.

I am sure that most hon. Members know that khat contains a naturally occurring alkaloid, with amphetamine affects. It is masticated and ingested, entering the bloodstream through the gums. People become very voluble and aggressive. They stay out all night, come home in the morning, beat up the wife and try to sleep through the day. We must address that problem, and if other hon. Members are aware of it, I hope that they, too, will bring it to the Minister's attention and possibly that of the Chairman of the Home Affairs Committee.

I know little of magic mushrooms. To be honest, I thought that they were a cartoon invention; I did not realise that there were such things as what my teenage

son calls "shrooms", although he claims no personal knowledge, or rather he denies all personal knowledge. I know about khat, however, and in parts of Hanwell, Northolt and Greenford, people can see the green leaves—the detritus—of a night spent chewing khat scattered around the streets in the morning.

The extremely efficient and cost-effective London borough of Ealing council obviously sweeps up those leaves at the earliest opportunity, but that vile narcotic spore is there for all to see, and I hope that it is something that we will consider. If we are to bring magic mushrooms within the ambit of the law, let us consider khat because it is a problem that will grow. One reason it will grow is the fact that the drugs trade moves as different drugs become available. MDMA did not exist 20 to 25 years ago, but it is probably one of the most widely taken drugs in urban society today.

In making perhaps my point of greatest significance, I pick up something that my hon. Friend the Member for Bolton, South-East mentioned when he referred to the British method. That expression was recognised throughout the world until about 1968. It meant that we treated drug addiction as an illness. We had a system whereby people who were addicted to narcotics—they did not have to be registered addicts—could get prescriptions from GPs that could be cashed at Boots or any other chemist. The prescriptions were made out for maintenance doses, and despite what people think about 1960s, this country had a low level of hard drug use.

What went wrong? A couple of individual doctors, Drs. Swann and Petro, who are no longer with us, absurdly over-prescribed. We ended up with a ridiculous situation in the Criterion buildings in Piccadilly circus, and Dr. Petro famously once wrote a prescription for one-sixth grain tablets of heroin—I am not even sure that one can get them nowadays—on the back of a cigarette packet. The situation got out of control and the response was to throw out all the good of the British method of maintenance and bring in the American method.

I have spoken to many drug addicts during my life and I always ask them why they take drugs and what stops them giving up. It seems to me that the effect of taking hard drugs is that of hitting oneself on the back of the head with a ball-peen hammer. They move people to a state of near unconsciousness, although admittedly one in which they do not feel pain—it is like being wrapped in cotton wool. Drug addicts say to me, "I take it so it doesn't hurt any more," so in other words they take drugs to stop the cravings and pain.

We must disaggregate the problem of drugs. We must not think of drugs as cannabis, ecstasy and all the other different drugs. We must think of the individual problems of khat, the foul, pernicious and murderous crack cocaine—I do not have time to talk about that—and heroin. We must consider substitute prescribing and maintenance. We in this country must not think of reinventing the wheel, but perhaps look again at the British system, which worked.

6.27 pm

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): The debate has revealed that a wide range of views are held on both sides of the House, which probably reflects the complexity of the question of drugs and the problems faced by our society.

I start by acknowledging the wider audience outside the House and the valuable work on drugs carried out by people throughout the country. Many hon. Members have mentioned the counselling, assessment, referral, advice and throughcare teams in prisons, drug action teams, general practitioners and the voluntary sector. We never underestimate such people's contribution to our society and I never cease to wonder at the time that people give to try to help others with chaotic lives to find a productive way forward.

I acknowledge the excellent contributions that hon. Members on both sides of the House have made. We heard good interventions on the Secretary of State from my hon. Friend the Member for Buckingham (Mr. Bercow) and my right hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith). My hon. Friend the Member for Buckingham, like many of us, is rightly concerned about the guidance that will be available for schools and head teachers. I hope that the Minister will touch on that point in her winding-up speech or in Committee.

The hon. Member for Newport, West (Paul Flynn) is a well-known "legaliser" and is to be commended for his consistent approach to the subject, whether one agrees with him or not. He accused the Minister of producing an atrocious piece of knee-jerk legislation, the like of which he has rarely seen under this Labour Government, if at all. He thinks that the decision to legislate on magic mushrooms is laughable. He believes that the Bill has not been based on evidence—more of that later. However, the hon. Gentleman acknowledged the mental health issues. Indeed, he has been examining those with the Council of Europe. I hope to hear more of those when he is made a member of the Committee that considers the Bill. He is concerned about coerced abstinence against voluntary abstinence and its record of success. Once again, we heard from a classic and genuine legaliser. I hope that in the same way as all of us acknowledge that the hon. Gentleman has been consistent in his approach, he will acknowledge that others are equally genuine in wanting a drug-free society and are starting from that base.

The hon. Gentleman followed my right hon. Friend the Member for Haltemprice and Howden (David Davis). He should know that my right hon. Friend raised the subject of khat with the Minister. The hon. Gentleman also raised the subject of khat although he is against, as we could imagine, that being included in the Bill. It is to be hoped that we can consider that in Committee.

The hon. Gentleman also took on board the wider problems in Colombia, Peru and Afghanistan and the supply chain for drugs. It is interesting that he said that he hoped that the House of Lords will throw out the Bill. I do not know whether he knows something that we do not. Obviously the timing of the Bill is an issue.

That was echoed by the hon. Member for Orkney and Shetland (Mr. Carmichael), who likewise thought that there was more than a whiff of popularism about the Bill, but, like us, he will not oppose it. It is interesting that he raised points that I, too, would want to pursue in Committee on the levels of dealer quantities of drugs and possible regional variations. The hon. Gentleman referred to the practical problems and the issue of holding people for 192 hours. These are matters that will

[Mrs. Cheryl Gillan]

bear much closer scrutiny when we consider the Bill in Committee, where it will be interesting to hear the views that are expressed by Members on both sides of it.

The hon. Member for Bassetlaw (John Mann), who has great knowledge of this subject, made an excellent contribution to the debate. He challenged the evidence, based on his own investigations in his constituency. The issue of dealing within the vicinity of schools has been brought into question, and the hon. Gentleman referred to a network in schools that passes on knowledge of where to get drugs. The hon. Gentleman and I need issues around that matter to be clarified, so the Minister will have to deal with that.

The definition of assessors and follow-up assessors has been mentioned. The hon. Member for Bassetlaw criticised the failure of the qualification of assessors, if I might put it in that way. I want to know, and I want to press the Minister in Committee, about the qualifications of those who are providing advice and treatment on drugs. Many people are involved and there are no benchmarks and no qualifications governing them. The Minister could and should have addressed that issue within the Bill.

I take my hat off to the general practitioners in Bassetlaw because it is obvious that they have been doing a great deal of work. When there is effective intervention in the drug-taking community, we see the results. That has been shown in the accident and emergency treatment for drug overdoses, where there has been a decline in such admissions, as there has been in admissions for other drug-related problems. That is an important development.

Certain problems underlie the Bill but I am interested in pursuing the idea of the GP having a pivotal role and examining what treatment GPs are able to provide. Too often people who are referred for treatment that they willingly want to have are told, "Go away. It will be three or four months before we can find you a suitable place somewhere." That situation must be addressed, but the Bill fails to do that.

My hon. Friend the Member for Ribble Valley (Mr. Evans), who made an excellent speech, will be introducing a private Member's Bill—I make no apology for doing a commercial for it—the Drugs (Sentencing and Commission of Enquiry) Bill, which will be in the House in a starring role on 25 February. I hope that my hon. Friend will be speaking to packed Benches, unlike tonight. I hope also that the Minister will respond positively to my hon. Friend's Bill. Indeed, I throw out a challenge to her, as she could easily undercut my hon. Friend's starring role on 25 February by adding the provisions in his Bill to the Drugs Bill.

Mr. Evans: That would make my day.

Mrs. Gillan: I agree with my prompt. It might even give my hon. Friend a day off. He raised the interesting prospect of compulsory drug testing after road accidents, which should be explored.

The hon. Member for Barnsley, West and Penistone (Mr. Clapham) spoke about drugs and crime as well as the cost of crime in Barnsley. He also referred to the heroin problem. I was not quite sure about his definition of problematic drug users, but he left me with the impression that there was not a seamless set of treatments and interventions in Barnsley. I was particularly worried by his point about reductions in the "Supporting People" budget. I should like the Minister to address that serious problem, as it is not an isolated incident. The "Supporting People" budget is used for drug interventions, but it has been reduced by the Government. The Minister and the Secretary of State may need to take serious action to ensure that it is reinstated throughout the country.

My hon. Friend the Member for Tewkesbury (Mr. Robertson) made some pertinent points about the Government's mixed message on drugs. By the Minister's own admission, there is such a message; otherwise the Home Office would not have spent £1 million reinforcing the fact that cannabis is still illegal after its reclassification. It is similar to the mixed message on 24-hour licensing and binge drinking—the muddle and confusion must be put right, as it is not good for our society and it is not good government. The message is not consistent or strong enough, and that view is shared in many parts of the House.

I am sorry that I was not in the Chamber to hear the speech by the hon. Member for Bolton, South-East (Dr. Iddon). By his own admission, it was a Whip-requested lengthy contribution to our debate.

Dr. Iddon: I did not say that.

Mrs. Gillan: The hon. Gentleman said that he was asked to speak longer than usual, and so he did. When a lecturer is asked to address an audience there is a danger that he will not know when to sit down but, none the less, the House learned a great deal from the hon. Gentleman's speech. I, too, would like to know about naltraxone and the use of methadone alternatives. It is a reflection on society that we have started to treat maintenance as the norm. Some people should be on methadone for 16 weeks and should be capable of coming off it, but we are maintaining them on it for 16 years. There are therefore some important issues to consider. I have heard about the vaccine to treat addiction, and almost thought that it was a magic mushroom. It appears to be a magic vaccine, but if it is proving advantageous in the tests that are being run, the Government should consider its use. We are familiar with the problem of false positives in drug testing, and must examine it in Committee. We disagree about magic mushrooms, but the call for the evidence base is important, and the Minister must respond to it.

My hon. Friend the Member for North-West Norfolk (Mr. Bellingham) made a characteristically measured and thoughtful contribution in which he supported the Bill introduced by my hon. Friend the Member for Ribble Valley. He also dealt with the drop-out rates in treatment, which is a concern for all of us. His robust defence of his constituent, Dr. Garfoot, should not pass unnoticed. The hon. Member for Central Fife (Mr. MacDougall) gave us the Scottish perspective, but

the Bill does not extend to Scotland. It extends to Northern Ireland, so I hope that the Minister will explain what is happening in Scotland.

Mr. Carmichael: May I bring to the hon. Lady's attention the fact that the provisions in part 1 relating to the amendment of the Misuse of Drugs Act 1971, which is a UK-wide statute, apply north of the border?

Mrs. Gillan: I am grateful for that clarification. I think that it is clauses 22 and 24 that apply to Scotland, but the rest of the Bill applies to England and Wales.

Mr. Carmichael: It is clauses 1 and 2.

Mrs. Gillan: Yes, but I think I am correct in saying that that application is achieved through the medium of clause 24 at the end of the Bill.

My hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) speaks with great authority about mental health matters for my party, and his contribution showed his measured approach to the problem. He tacitly admitted to being addicted to politics among other things. He expressed concern that law enforcement is not enough in the fight against drugs and that treatment is essential. We can all agree on that. There seemed to be some issues with the Minister relating to the linkage between drugs and mental illness and perhaps we will have time to explore that in Committee.

The hon. Member for Wolverhampton, North-East (Mr. Purchase), who is not in his place, made a guest appearance and talked us down memory lane and through the jazz clubs. My hon. Friend the Member for Upminster (Angela Watkinson) made her usual excellent contribution and quoted my constituent, Mary Brett from Dr. Challoner's, who has done sterling work in drugs education. My hon. Friend raised issues relating to the "Frank" campaign, about which we are all concerned.The hon. Member for Ealing, North (Mr. Pound) brought up the rear, not for the first time, and clipped in a magic little contribution. I commend his work with Narcotics Anonymous. Like him, I call for sound and sensible legislation.

In his opening remarks my right hon. Friend the Member for Haltemprice and Howden welcomed the provisions of the Bill, and I agree that some of the basics are there. However, the proposals have come at the eleventh hour and are seen by some to be too little, too late. If the Government are serious about enacting provisions that will make a difference to drug abusers and to law-abiding citizens, the Minister will have the opportunity to consider and adopt the amendments and additions that we will table in Committee. I hope she will encourage her hon. Friends to table their own amendments.

The Bill has been put together in haste, and things that are put together in haste can be regretted at leisure. We intend to propose that khat be added as an illegal drug, and we will examine clause 1 and make sure that its terms are not limited to schools, but include youth clubs, skate parks, arcades and other areas where children gather. We must study the fine wording of the Bill, such as the provision that it is a reasonable excuse if somebody did not know that a school was being used as a school or that there were young people in it. That would allow people to wriggle under the net.

I am worried about the cash definitions. In the modern economy we know that it is not just cash that is traded between dealers and their runners. Other goods are also traded and I want to make sure that they are included. We want to encourage schools to begin random testing for drugs, and I hope the Minister will consider amendments to the Bill. Testing for class A drugs should extend to under-18s. We want to make it compulsory to complete a treatment programme, and I hope to explore with the Minister the ways in which we could achieve that. We also want to consider offering more residential rehabilitation.

I believe the Government do not care whether the Bill becomes law or not. The timing of its presentation, so close to a possible election, is cynical, and the Bill has been prepared with extreme haste, which is reflected in its provenance. The regulatory impact assessment reveals that there has been little, if any, consultation. In the words of the Home Office on page 13 of the regulatory impact assessment,

"No external consultation has been carried out"

on the provisions on antisocial behaviour orders.

We know that about seven weeks ago No. 10 hosted a one-off meeting at which the Prime Minister, the Minister and about 20 police officers discussed the Bill's provisions. If, as we all suspect, a general election is called for 5 May, we will have only a very few sitting days and the Bill will have little chance of becoming law unless a deal is done over it. But that will allow the Government to grandstand and trumpet that they have been tough on drugs, and to point to the Bill as the so-called evidence. No. 10 cannot fool all of the people all of the time.

This is a serious subject, so as a responsible Opposition we will support the Bill, but we will work with the Minister to improve such an undersized piece of legislation. The subject is too important to be thrown away in a flurry of pre-election posturing. I regret that such a valuable opportunity to improve drug treatment and rehabilitation—and even to deal with the wider issues of supply and public health, on which we have not had an opportunity to touch—has been rushed through in an indecent haste by a Government determined to cover all their bases for the next election.

We all wish to improve our society, and our route as politicians is through legislation. That legislation should be well thought through. We will help the Minister in Committee, and I hope, in the spirit of the Secretary of State's words, that we can improve what is on offer, despite the lateness of its presentation to the House.

6.45 pm

The Parliamentary Under-Secretary of State for the Home Department (Caroline Flint): We have had an excellent debate this afternoon. It has demonstrated that everyone who has spoken, on whatever side of the argument, cares deeply about the impact of drugs and the way in which individual lives, families and communities can be shattered when the misuse of drugs gets completely out of hand.

Several Members, on both sides of the House, have tried to imply that somehow the Bill stands on its own, and have questioned why it does not cover a number of

[Caroline Flint]

issues regarding treatment and so on. The reality is that the Bill is part of an overall Government strategy, in which the Home Office leads, to tackle drugs, crime and treatment for anyone who has a drug misuse problem.

Mrs. Gillan: Will the Minister give way?

Caroline Flint: I cannot give way at the moment, as I am going to try to answer all Members' questions.

The Bill is intended to complement what we have already achieved: unprecedented amounts of resources going into treatment; for once, Government policy that recognises the link between drug addiction and crime and that is trying to stop that vicious circle; and for once, mechanisms by which we can assess what treatment is happening and what is good, indifferent and bad, and by which we can try to address that. The Bill does not stand on its own. It complements what we are already achieving up and down the country, part of which is 54 per cent. more people in drug treatment.

If we are to have a reasonable debate on drugs, it is important to consider the Bill in context. I remind the hon. Member for Chesham and Amersham (Mrs. Gillan) and other Conservative Members that not long ago we issued to every Member of Parliament a copy of the document, "Tackling Drugs, Changing Lives", outlining in detail exactly what we are doing to expand provision and to tackle problems of supply, treatment, and importantly, prevention. The Bill and the measures contained in it have arisen out of several different discussions, both formal and informal, with different groups that have specialist expertise and knowledge of the problems in relation to both addiction and enforcement of the law. That is why we have considered measures that, rather than standing on their own, will enhance what we are already trying to achieve.

I want to deal with a number of comments that Members have made. If I do not respond to all of them, I will have to write to the Members concerned, or take up the issues in Committee. First, I want to comment on khat, which was mentioned by the right hon. Member for Haltemprice and Howden (David Davis) and my hon. Friend the Member for Ealing, North (Mr. Pound). We take the issue seriously, and I have dealt with an Adjournment debate on this very subject. Currently, we are keeping the status of khat under review. Positively, we have arranged with Turning Point and the National Association for the Care and Resettlement of Offenders to undertake two studies considering the level of khat use and misuse in communities. On top of that, we are actively considering what is necessary to communicate and engage with those communities for which it is a problem. That issue has been raised with me by members of the Somali community, in relation to how we get across information to them about the dangers of that drug. We are therefore actively considering that area.

Issues of organised crime were also raised. The Serious Organised Crime and Police Bill is currently going through the House, and I spent two days on it in Committee last week. We believe that the establishment of the Serious Organised Crime Agency and extended powers in terms of Queen's evidence and disclosure will greatly assist us in putting behind bars more of the Mr. and Mrs. Bigs who run organised drug crime and other forms of organised crime. That is another piece of legislation that complements what we are trying to do in tackling the problems of drugs in our communities.

On children and the aggravated offence of drug dealing in the vicinity of schools, my hon. Friend the Member for Bassetlaw (John Mann) pointed out that no direct evidence exists and that no figures are kept, but a number of different groups, parents, teachers and others have raised their concerns. We are examining how we can introduce preventive measures as well as how we can deal with the current situation. The legislation is directed at areas rather than children per se because the aggravating factor of targeting vulnerable people, which includes children, already exists, and we felt that that particular area was covered.

On mandatory sentences, I have not had a chance to see the private Member's Bill promoted by the hon. Member for Ribble Valley (Mr. Evans). However, I remind him that section 110 of the Powers of Criminal Courts (Sentencing) Act 2000 requires the court to impose an appropriate custodial sentence of at least seven years on a person convicted of three class A drug offences. We must see the detail of the Bill before we explore that area further.

On drug testing in schools, the Department for Education and Skills guidance is clear. It provides advice and a number of measures, one of which is drug testing, for schools. Drug testing must sit alongside a school policy on what to do after a positive drug test. It is one part of the guidance, but knowing what to do and how to connect with agencies that might assist an individual young person who has a substance misuse problem is a real issue.

On testing equipment, a number of hon. Members raised the issue of how long drugs remain in a person's system. For example, cocaine can be out of a person's system within a couple of days, whereas cannabis remains for a lot longer. There is therefore a danger that we will not pick up those young people who are involved with class A drugs and that we will pick up the ones who may use cannabis. Drug testing is an option that should be open to schools, and where schools use it, we should examine how to support them.

On testing under-18s at the point of arrest, in the past year we have started to examine testing on charge for under-18s, and there will be provision to extend the age group, but at this stage we need to see how the testing process works with that particular age group.

A number of issues have been raised about the reclassification of cannabis, which is obviously not included in the Bill. We must have a credible discussion about the relative harm caused by different drugs. An evaluation of the Government's public information showed that 93 per cent. of under-18s understood that cannabis continued to be illegal after its reclassification. Estimates from January 2004 indicate that we have saved about 189,000 police hours in relation to the bureaucracy that was generated by policing the old offences that applied to cannabis.

I remind hon. Members that the Home Affairs Committee agreed that we should reclassify cannabis from class B to class C, which was supported by the hon. Member for Witney (Mr. Cameron), who is currently

responsible for co-ordinating Conservative party policy, and which the hon. Member for Woking (Mr. Malins), who is part of the Conservative home affairs team, did not vote against. It is not always clear where people are coming from on this issue.

With the Department for Education and Skills and the Department of Health, we are developing a series of health messages that will ensure that we get it across that serious issues exist in relation to the use of cannabis. We are working with a number of people who are involved with mental illness and mental health to ensure that materials are produced that make people aware of the dangers of using any drug, including cannabis, if one has a mental illness. The National Treatment Agency and the Department of Health have taken up dual diagnosis. It is important to ensure that we recognise the different issues, whether they concern mental illness or drug addiction.

I reject the suggestion that magic mushrooms are harmless, because they are equivalent in effect to LSD. The rapid increase in outlets selling magic mushrooms in what we consider a prepared form, which is illegal, has caused problems. The National Association of Alcohol and Drug Abuse Counsellors has said that it feels that the area needs to be clarified, which is why we have gone down this route. Indeed, a recent court case clearly made that point.

On legalisation, all I can say is that I am afraid we do not believe that it is a panacea or answers all the questions. Those involved in organised crime would simply regroup. If one legalised drugs and said to the public, "You can have a certain amount of that drug at a certain price," some criminals would try to undercut that price or offer more drugs than would be available through a regulated outfit.

The hon. Member for Orkney and Shetland (Mr. Carmichael) raised several issues relating to certain clauses that we can discuss in more detail in Committee. I should say that these measures originate from those on the front line who feel that gaps and loopholes allow dealers to get away with being charged for dealing offences. As regards detention, we are trying to target dealers, not mules.

My hon. Friends the Members for Bassetlaw, for Barnsley, West and Penistone (Mr. Clapham) and for Bolton, South-East (Dr. Iddon) made excellent speeches that drew on their experiences and knowledge of their constituencies. I agree with my hon. Friend the Member for Bassetlaw that we need to ensure that those involved in carrying out assessments and offering advice are able to do that job. If he wants to come and talk to me about his concerns, my door is open. We are looking to the National Treatment Agency to ensure that people are accredited. We are also encouraging more GPs to take up a role in this respect, as the fact that many have not wanted to do so has been a big problem. In the past year, we have worked with the Department of Health to ensure that primary care trusts take that responsibility more seriously. I hope that we can grow a new generation of GPs who see it as part of their core business.

I thank my hon. Friend the Member for Barnsley, West and Penistone for his remarks about how well drug action teams and crime and disorder reduction partnerships are working in his area. He proved that the resources we are providing are making a difference on the ground.

I commend my hon. Friend the Member for Bolton, South-East for his work on the all-party group on drugs misuse. He raised several issues. I agree that we need to consider substitutes other than methadone, and the NTA is actively considering that. We should be mindful of the need to give users choice, and we will address that proactively and in more detail in future.

My hon. Friend the Member for Central Fife (Mr. MacDougall) was right to cite his experiences as a Scottish MP. I hope that the debate will be listened to in Scotland and that likewise we will listen to the debates in Scotland. He mentioned our measures on the proceeds of crime, which mean that at last we can take the assets from drug dealers. That, together with other sentences, will make a real difference to their lifestyles, as well as their investment in their drugs businesses.

The hon. Member for Ribble Valley talked about the level of drug use in the UK compared with the rest of Europe. Those statistics are open to question and some of the figures are misleading. I am prepared to discuss that with him another time. Drug use in the UK has stabilised. I am not excusing its high level, but there have been rapid reductions among young people in several areas.

The hon. Member for Tewkesbury (Mr. Robertson) expressed concern about cannabis and talked about the importance of teaching people about the dangers of drugs. That is exactly what we do through Talk to Frank, Blueprint and every other means at our disposal to engage with young people in whatever environment they may be, whether in school, youth clubs or elsewhere.

We have had a very interesting debate. This is an issue that we can never give up on. I do not like the term, "Fighting the war against drugs." We have to be mindful of how drugs change, and when new drugs come into our communities we have to be prepared to deal with them. The Bill allows us to build on our already positive record.

As my hon. Friend the Member for Wolverhampton, North-East (Mr. Purchase) said, this is about prevention as well. That is why we are working actively with the Department for Education and Skills to go back to the point before young people get involved in drugs. We want increasingly to consider the risk factors that may lead young people into drugs, early sexual activity, truancy or simply not thriving in school. If we can get there early enough, we can challenge some of the dangers that can lead them into crime and imprisonment in future.

I commend the Bill to the House and look forward to debating it in far more detail in Committee.

Question put and agreed to.

Bill accordingly read a Second time.

DRUGS BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (6) (Programme motions),

That the following provisions shall apply to the Drugs Bill:

Committal

1. The Bill shall be committed to a Standing Committee.

Proceedings in Standing Committee

2. Proceedings in the Standing Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 3rd February 2005.

3. The Standing Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

Programming Committee

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Programming of proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—[*Ms Prentice.*]

Question agreed to.

DRUGS BILL *(MONEY)*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order 52 (1) (a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Drugs Bill, it is expedient to authorise the payment out of money provided by Parliament of—

(a) expenditure incurred by the Secretary of State by virtue of the Act;

(b) any increase attributable to the Act in the sums payable out of money so provided under any other Act.—[*Ms Prentice.*]

Question agreed to.

EUROPEAN DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119 (9) (European Standing Committees),

eEUROPE 2005 ACTION PLAN

That this House takes note of European Union Document No. 9675/04 and Addenda 1 and 2, Commission Communication on an update to the eEurope 2005 Action Plan; welcomes the actions proposed by the Commission as a follow-up to the mid-term review of the Plan; and supports the Government's objective, during its Presidency of the EU, of ensuring that the 2006–2010 Action Plan contributes positively to the enhanced deployment of Information and Communications Technology (ICT) in business and in the public sector, thereby contributing to the goals of the Lisbon Agenda.—[*Ms Prentice.*]

Question agreed to.

COMMITTEES

Ordered,

That Kevin Brennan be discharged from the Public Administration Committee and Iain Wright be added.—*[Mr. John McWilliam, on behalf of the Committee of Selection.]*

Ordered,

That Caroline Flint be discharged from the Administration Committee and Kali Mountford be added.—*[Mr. John McWilliam, on behalf of the Committee of Selection.]*

PETITION

Isobel's Law

7 pm

Mr. Paul Truswell (Pudsey) (Lab): I have great pleasure in presenting a petition that has been signed by more than 4,000 of my constituents and others in support of a ban on doorstep cold calling for property repairs and maintenance. The national campaign has come to be called Isobel's law. It is named after Isobel Gray, an 82-year-old lady who was brutally murdered by intruders associated with bogus repairers.

I am grateful to all the individuals and groups that have collected signatures. I would also like to express my gratitude for the support of the *Yorkshire Evening Post* on the campaign, to Brian Steele, the former detective chief superintendent who investigated Isobel's death, Stuart Pudney of the Trading Standards Institute and Councillor Mick Grubb, who has been awarded the Queen's police medal and is chair of Horsforth town council. As a former police officer, he tackled cases of distraction burglary and property crime.

The petition states:

The Petition of the residents of Pudsey constituency and others declares

That communities and individuals, particularly older citizens, require far greater protection from the activities of bogus and exploitative property repairers and notes that the Government is currently consulting on a range of possible measures to combat these and other activities involving cold calling.

The Petitioners therefore request that the House of Commons enact legislation that will ban doorstep cold calling for the purposes of offering property improvement, repair or maintenance.

And the Petitioners remain, etc.

To lie upon the Table.

Medical Services (Northumberland)

Motion made, and Question proposed, That this House do now adjourn.—[*Mr. Watson.*]

7.2 pm

Mr. A. J. Beith (Berwick-upon-Tweed) (LD): I am glad to have the attention of the Minister with responsibility for public health on the problems that we face in Northumberland because, in more than 30 years of representing Northumberland in Parliament, I have never received so many complaints and representations about failings in the local health service as I have had since the new out-of-hours system was introduced last September. Patients and their families are angry about it, and professional nursing and ambulance staff are concerned that they are expected to make decisions without the back-up of a doctor and that they have to explain to patients that they need to be taken 50 miles for treatment, which used to be available locally from the GP on duty.

Once the Government signed the new GP contract, under which practices no longer have responsibility for cover after 6 pm or at weekends, a system had to be created to replace them. That was difficult enough, but it is even more difficult in a scattered rural area where patients are at least 20 miles and often 50 miles from a general hospital. We rely on the infirmaries in Alnwick and Berwick, the community hospital at Rothbury and GPs for a wider range of services than is necessary when there is a major hospital nearby.

Two problems were clear from the start. First, it would not be adequate to have one doctor to provide sole cover for three hospitals and home visits in an area of 1,000 square miles, yet that is all that was thought necessary between midnight and 8 am. Secondly, most local GPs did not want to take part in the new service, so it depended on bringing doctors in from London or Wales, or flying them in from Germany at high rates of pay—£115 an hour in some cases. Apparently, £1,000 a night is the going rate in some other remote areas.

I was told about a German doctor who likes to play golf. It is difficult to get on the golf courses in Germany at the weekend. He therefore comes over, does a weekend's work and has a good income and a good living out of that work in England. He flies back to Germany on a Monday and gets on the golf courses for the whole week. This has helped us out in a crisis, but it does not seem to be quite the right way to run our health service.

The arrangements are the joint responsibility of two trusts. The hospitals come under the Northumbria Healthcare NHS trust, while house calls are the responsibility of the Northumberland Care trust. The names are confusing enough. The primary care trust has had a financial crisis leading to the resignation of its chairman and chief executive, and the joint chief executive of the hospitals trust is now doubling as acting chief executive of the primary care trust. One benefit of this presumably temporary situation is that there can be a single focus of responsibility for putting matters right. I have discussed the problems extensively with the chief executive and I expect to have a further meeting with him in the next few weeks. Indeed, I have been having meetings with the health authorities since before this new arrangement began.

The same doctors provide the service for both trusts, but they are engaged by an agency, Northern Doctors Urgent Care, which is located well outside the area, at Longbenton, on the edge Newcastle. The same organisation provided GP night cover in parts of my constituency before the new system came in, but it was then more closely integrated with the GP service.

In some cases, the arrangements have broken down completely. For example, on 26 November, three local councillors attended Alnwick infirmary to observe the new arrangements. At 6.30 pm, no doctor was present to support the busy casualty department or to do home visits: At 8 pm, the hospital was told that a doctor was on her way from London, but that the train was late. At 8.30 pm, the doctor arrived at Newcastle station, 30 miles away, but there was no driver for her. She eventually arrived at 9.40 pm. There was no back-up or alternative cover.

On another recent occasion, a dying patient in a care home needed pain relief, which could not be prescribed by the care home staff. The doctor who was at the infirmary a mile away could not attend because no driver was available. It did not seem to occur to them to call a taxi, although there are plenty available. The patient had to be put into an ambulance, and died on the short journey to hospital, without the comfort and dignity to which she was entitled in her final hours.

I have been told of one occasion on which a doctor was brought more than 60 miles from Newcastle to write a prescription for pain relief in a similar case because no doctor was available locally. In another case, which I took up with the trust as a complaint, a doctor did not arrive to see a leukaemia sufferer with suspected pneumonia for 12 hours after her sister had called the emergency line. The doctor arrived at 9 pm on a Saturday, the call having been made at 9 am.

For many patients, the consequence of the change has been long journeys to Wansbeck hospital, which is in Ashington, more than 50 miles from Berwick. These journeys tie up an emergency ambulance for two hours. Some of the visiting duty doctors will apparently not carry out basic procedures such as stitching, saying that it is not in their contract. The acting chief executive of the care trust has admitted in a letter to me that the agency was

"relying on doctors who, although clinically competent, were not as experienced in the local provision of healthcare."

As a result, many more patients are being taken by ambulance to Wansbeck hospital, where ambulances have been queuing up to get patients in. The health care trust admits that it has

"seen an unprecedented rise in the number of admissions and A and E attendance",

part of which is clearly caused by the new out-of-hours system.

So serious is the crisis at Wansbeck that a third of the beds at Alnwick infirmary have now been temporarily closed so that staff can be shifted to Wansbeck in an attempt to relieve the situation. The ambulance service is having great difficulty in meeting the increased demand caused by moving so many patients so far at night. Serious gaps in the emergency ambulance cover in the rural area are inevitable while ambulances are detained so far away. In many cases, the ambulance is being expected to take the place of both the local

[Mr. A. J. Beith]

hospital and the doctor's house call. Nursing staff have been issued with instructions that if a patient on a ward has a cardiac arrest after 6 pm or on a bank holiday, they should ring 999. I have here the piece of paper that they were issued with. Clearly, some conditions could make such a 50-mile transfer—or a 40-mile transfer to the Borders general hospital at Melrose—essential. However, many cases could be dealt with locally, and they should not be filling up the larger hospitals or diverting the hard-pressed ambulance service.

The way in which most people approach the new service is to ring an emergency number. One of these numbers connects them to NHS Direct, where they have to explain first to an operator and then to a nurse why they are in urgent need of a doctor. If they get through those hurdles, they will be transferred to an operator at Northern Doctors Urgent Care, where, no matter how distressed or anxious they are, they will have to go through the whole explanation again, possibly twice. If they are successful in negotiating this obstacle course, they will be told that a doctor will ring them, although that could take up to an hour. A visit is still further away.

So what people do, if they can, is get into a car and get driven to the infirmary, where they might be told that no doctor is available. They might then have to drive another 50 miles to Ashington, where they will queue up with those who have been brought in by ambulance. I understand that the care trust is reconsidering the multiple-triage system with a view to eliminating NHS Direct from the process. That would certainly be an improvement. Leaflets have been issued, including the Northern Doctors Urgent Care number, which should also be on the answerphones of all GPs' surgeries.

A separate problem arises from the fact that patients no longer have access to doctors on Saturdays for relatively urgent but non-emergency consultations. People were astonished when notices suddenly appeared in every doctor's surgery saying that there would be no more Saturday morning surgeries after 1 September. I raised the matter in the House on 14 September. The Secretary of State replied that under new national requirements there would be,

"should a patient's condition require it . . . access to a Saturday morning surgery."—[*Official Report*, 14 September 2004; Vol. 424, c. 1114.]

That does not appear to be happening. Someone who has struggled to work all week with a bad bronchial condition may want to consult the doctor on Saturday to establish whether he or she is fit to return to work on Monday. The only recourse is to go to accident and emergency and ask the doctor to deal with the case as an emergency, alongside all the injury cases. Casualty departments are not equipped or specifically trained for work of that kind. They are busy dealing with injuries. What is supposed to be happening to meet the Saturday surgery requirement that the Secretary of State set out so clearly in the House, and what information will be given to the public? I hope the Minister will be able to make that clear.

I also hope she will tell us whether there are examples of best practice in new arrangements for out-of-hours care in other remote rural areas. If there are, I should like the health trusts in our area to take them up.

I am sure it cannot be said that the defects of the new service are a result of attempts to do things on the cheap. It must be fabulously expensive, given the very high rates being paid to entice doctors from Germany and the great increase in ambulance journeys, as well as the cost of staff transfers to deal with the increased pressure on Wansbeck hospital. There really must be a better way of using this money to provide a service that is tailored to local needs.

There are certain requirements for that service. Given that doctors must cover both hospital and home-visit cases, we need a doctor in Berwick and a doctor in Alnwick throughout the out-of-hours period, and each must have a driver. Sometimes one is shared between two places, which is a hopeless arrangement. Even an account with a taxi firm would be an improvement on circumstances in which a doctor cannot go out on calls. A back-up arrangement with local doctors needs to be in place in case doctors cannot reach an urgent case, or are delayed as they fly in from wherever they are coming from. I should like to see a major effort to attract local GPs to participate in the service, and I hope the Minister agrees.

More forms of treatment should be available at local hospitals to reduce the number of long-distance ambulance transfers that the system has generated. Staff should feel that they have adequate back-up and are doing work that is appropriate to their training and grade. The public should be able to speak to a doctor by telephone in urgent cases without having to go through numerous intermediaries, and should be able to secure a house call when it is needed. Saturday morning surgeries should cater for all patients who cannot reasonably be expected to put off seeing a doctor until Monday, or who have real difficulty in attending during the working day.

All those services were available in Northumberland when we had a GP-led out-of-hours service. Now they are not, and people are very angry about what they see as a serious and threatening reduction in the national health service. The care trust has stopped saying, as it said last August, that patients would see no difference in the standard of service. Today, I understand, it has said it is "different but adequate". It is certainly different, and it is costing a lot more money; but it is an inferior service. It is not adequate, and I want Ministers to act to help put it right.

Today the Northumbria health care trust issued a press release announcing that the two trusts have agreed jointly to review the urgent-care system across the county. That may be the first result of today's debate, but the review needs to be fundamental, starting with patient needs rather than with the trust's existing structures. It needs to examine alternative models for the provision of out-of-hours care in scattered and remote rural communities. It needs to consider how we can increase, rather than decrease, the role of local hospitals in Alnwick, Berwick and Rothbury. It needs to consider the fact that extensive medical equipment and facilities in GPs' surgeries, which were provided with the support of public funds, are locked up and unused from 5.30 on Friday until 8 o'clock Monday morning, and throughout the Christmas and new year periods. It needs to consider reducing dependence on flying in

doctors from the south and from Germany at vast expense, and to look for ways of attracting the support and involvement of as many local GPs as possible. It needs to make use of best practice in other remote rural areas; above all, it needs to listen with an open mind to the concerns of patients, NHS staff and the community. It is those concerns that I have tried to voice tonight.

7.15 pm

The Parliamentary Under-Secretary of State for Health (Miss Melanie Johnson): I begin by congratulating the right hon. Member for Berwick-upon-Tweed (Mr. Beith) on securing this debate. I know that this issue is very important to his constituents, and particularly to the families and others whom he mentioned or alluded to; I join him in recognising that importance. I am sure that he will join me in congratulating the NHS staff in Northumberland on their work. They are dedicated to delivering high quality services and they deserve our admiration; they doubtless enjoy his, as well as mine.

I want to begin by saying a little about the policy of out-of-hours medical care. We said that we would introduce these changes in April 2002 and as a result of them we have devolved funding locally, so that people can get the services that they deserve locally, and that decisions can be made at that level. The right hon. Gentleman doubtless fully endorses that principle, given that he believes in taking as many decisions as possible at a local level.

The change to the contract supports the development of an integrated system of high quality out-of-hours care. The right hon. Gentleman said little about integrated systems but he mentioned other good examples of such provision, to which I shall come in a moment. The previous arrangement often involved sub-contracting out to GP co-operatives, but now practices can themselves transfer such responsibilities to primary care trusts, as the lead commissioners of NHS services in their areas. That enables PCTs to rethink and reconfigure the provision of out-of-hours services, and to co-ordinate them with other services such as accident and emergency, social care and NHS walk-in centres, where such centres have been opened. The long-term aim is to have a seamless, integrated and unscheduled care network that brings together all services in meeting patients' unplanned needs.

I recognise that the right hon. Gentleman's comments suggest that the situation in Northumberland is not working out as it should, but before I deal with the points that he raised I want briefly to mention the investment that we are putting in. As he rightly said, we have increased such investment significantly. We have doubled this year's out-of-hours development fund to £92 million, we have provided additional resources of £14 million to assist PCTs in very rural and urban areas, and we have made available to PCTs £30 million in capital incentives. In addition, some £180 million is available that was previously given to practices to pay for out-of-hours services; under the new contract arrangements, that money goes to the PCTs. To save the right hon. Gentleman some arithmetic, that totals some £316 million.

Mr. Beith: As I understand it, Northumberland does not qualify for the rural benefit because it is a mixture of a very urban area and an enormous rural area. The Minister might like to consider that point.

Miss Johnson: I am very happy to do so and the right hon. Gentleman may well be right. A number of mixed areas sometimes fall foul of this problem; none the less, there has been investment in the health service in Northumberland as a whole, and a big increase in the number of GPs—from 231 in September 2001 to the current figure of 272. That is an increase of 18 per cent., so it amounts to a substantial increase.

I have already mentioned the arrangements that we believe should work and the opportunities that they provide. As the right hon. Gentleman knows, GPs in Northumberland opted out of providing cover out of hours, although 30 per cent. of doctors there still provide a service under the Northern Doctors Urgent Care arrangement during the week—and they are local doctors. Various arrangements are being put in place, including one GP on duty after midnight at either Alnwick or Berwick, and a driver is supposedly available overnight. I take note of the right hon. Gentleman's comments on that. The majority of local doctors do not provide weekend services and that is when agency doctors are mainly used. A large team is on call, which should allow for flexibility in travel arrangements. The aim is to work to achieve the targets of responding to all urgent calls within two hours and to non-urgent ones within six hours. Again, I note the right hon. Gentleman's comments about the time scale of some of the calls that he has drawn to the attention of the House.

As a result of examining the issue, and mindful of the fact that the trust has had a few months to see the system operate, I am pleased to say that the two trusts—I agree with the right hon. Gentleman about the confusion of the names—jointly agreed to review urgent care systems across the county, and it is expected that the review will be concluded by the end of February. I trust that it will be concluded at that time, as I appreciate that many of the issues raised by the right hon. Gentleman are of significant concern to his constituents—and rightly so. I am aware of worries about journeys to Wansbeck. Sometimes, such journeys are necessary to provide the best possible clinical care, which can often be received only at a general hospital. I am sure that the right hon. Gentleman would not argue with that.

As to coverage, what we aspire to and what is being delivered in other areas is that the service provided should meet the national quality requirements provided by the primary care trust. The PCT must performance-manage the provider to ensure that that happens. Where the provider fails to meet the requirements, action has to be taken to deal with it. Clear times should be specified within which patients should receive an initial clinical assessment and receive clinical treatment, which may vary, depending on the seriousness of the condition or disease. Providers must ensure that patients are treated by the clinician best equipped to meet their needs in the

[Miss Johnson]

appropriate location. Where a face-to-face consultation is necessary, it must take place within clearly defined time scales.

On some occasions, patients may need to travel. They may need to attend an accident and emergency, hospital or clinic-based outpatients' appointment, for example, and the PCT has a duty to recognise that the distance should not be unrealistic, though it should not preclude patients who urgently need a face-to-face consultation being seen within the specified time frame.

As I said, I am pleased that the strategic health authority announced today that it would undertake a review, and I trust that it will be conducted speedily. I will additionally ask the Recovery and Support Unit in the Department to ensure that it supports colleagues at the SHA in carrying out its review of services. The right hon. Gentleman might like to note that in February and March we are also bringing together out-of-hours providers and PCTs in a series of workshops across the country, to focus on ensuring the quality of out-of-hours services and how providers and commissioners can work together on managing performance.

In that connection, I promised that I would turn to the question of how the service is organised elsewhere—in central Cheshire, for example. It is across the other side of the country, but not a million miles from where the right hon. Gentleman is based. There, all 30 practices opted out on 1 April 2004. The PCTs established an all-encompassing out-of-hours service covering an area formerly provided for by five co-operatives. It integrates GPs, nurses and paramedics in a way that has not been widely remarked on. Triage nurses advise patients or refer them to treatment centres in Crewe or Northwich, and home visits are made by paramedics. Between 50 per cent. and 60 per cent. of the area's 140 GPs have agreed to do shifts for the PCT, and salaried GPs are also employed.

I could give other examples from around the country. People are configuring services to reflect how they can best be delivered. Clearly, issues arise in respect of an area's pattern of towns and settlements, as well as its geography and provision of GPs, hospitals and other services. However, a number of areas have taken a creative approach to producing a better and more seamless service, with a much wider skills mix among the people who provide the care. There is a much better distribution than was the case historically of the way in which patients are seen by GPs with the relevant skills, at the relevant time and in the most relevant place.

Mr. Beith: May I observe that, under the old system, we were lucky? We had a well integrated GP and hospital service. The GPs provided the hospital night service and used that as the base for attending house calls. Will the Minister clarify how the Secretary of State's promise that there would be Saturday morning surgeries will be met? Patients who are not emergencies but whose needs are pressing must be able to know that they can see a doctor on a Saturday morning.

Miss Johnson: People can see a doctor on a Saturday morning, as I am sure the right hon. Gentleman appreciates. The question of whether they can see their own doctor is a separate matter. Whatever his criticisms of the provision in his area, I understand that people in Northumberland are able to see a GP on a Saturday morning, and that there is no problem about access normally. I do not think that I can say anything more about that.

I shall also ensure that the SHA looks at the regular performance reviews of the interaction between the commissioner and the provider, and that it will consider matters such as performance, capacity, contingency arrangements and the suitability of commissioned out-of-hours service. Prompt action should be taken to resolve any problems that arise.

I appreciate that this is a serious matter, and that the right hon. Member for Berwick-upon-Tweed has raised issues that we must be sure that we can deal with. The SHA and the PCT must also ensure that they can deal with these matters. However, I assure the right hon. Gentleman that we take his comments seriously, and that the local trust will want to address the matters that he has raised.

The PCT is in the lead when it comes to service provision, and the right hon. Gentleman and I will agree that local decisions are best made locally. Appropriate investment has been made to render that possible, and I am sure that the relevant local bodies will be keen to ensure that health provision is up to the standard that we all expect in this century. We want out-of-hours care to be targeted as much as possible in the appropriate way, and to be available to people as necessary, regardless of the hour of day or night.

Question put and agreed to.

Adjourned accordingly at twenty eight minutes past Seven o'clock.

House of Commons

Wednesday 19 January 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

Devolved Government

1. **Rev. Martin Smyth** (Belfast, South) (UUP): If he will make a statement on the political process towards re-establishment of devolved government in Northern Ireland. [208434]

4. **Mr. Andrew Mackay** (Bracknell) (Con): If he will make a statement on the restoration of devolved government. [208437]

5. **David Taylor** (North-West Leicestershire) (Lab/Co-op): What assessment he has made of the implications for the peace process of the recent theft from the headquarters of Northern Bank in Belfast. [208438]

6. **Mr. Gregory Campbell** (East Londonderry) (DUP): What plans he has to convene talks between political parties on a political settlement in Northern Ireland. [208439]

The Secretary of State for Northern Ireland (Mr. Paul Murphy): As I said in my statement to the House last Tuesday, I deeply regret the fact that progress towards the re-establishment of devolved government in Northern Ireland has been put in jeopardy by the Northern bank raid.

I cannot forecast when it will prove possible to re-establish an inclusive power-sharing Executive, which the Government continue to believe provides the best long-term guarantee of peace and stability, and we shall not abandon our commitment to that.

I am in the process of talking to the Northern Ireland parties, with a view to hearing at first hand their assessments of the current position and their views on a number of difficult questions that now face us.

Rev. Martin Smyth: I welcome the Secretary of State's response, but how can the people of Northern Ireland be assured when there are denials of the bank robbery on the part of those who hitherto denied certain incidents in the past, such as permitting a young lad to return to Londonderry, telling his mother that he would be safe and then ordering his execution? How can we rest with any sense of trust and peace with that sort of nonsense going on?

Mr. Murphy: The hon. Gentleman is right in pointing out in his last few words the significance of all this for the trust, confidence and faith between parties that must exist before we can get the restoration of the institutions in Northern Ireland. I believe that the Chief Constable was right in his assessment; the Irish Government believe the same; and I think that the people of Northern Ireland believe it as well. The issue now is how we get into a situation where we can restore those institutions, but before we can do that, we have to restore the trust, which is exactly what the hon. Gentleman referred to.

Mr. Mackay: The Secretary of State will be aware that the whole House has huge sympathy with his predicament. He has been very badly let down by the republicans. Can he confirm the following facts: first, Sinn Fein and the IRA are inextricably linked; secondly, it would be impossible to have in devolved government people who have carried out such a large criminal act?

Mr. Murphy: Yes, and my right hon. Friend the Prime Minister said precisely that. The issue that has caused this problem is that of criminality, and that issue must be addressed before we can restore the institutions—not least because, as I suggested in my last answer, we simply will not get politicians, party leaders and people who have been elected in Northern Ireland together unless that trust is restored.

The other issue is that, of course, as dramatic and big as the bank robbery was, we must not forget the other aspects of criminality that go on, day in and day out, in Northern Ireland, in loyalist as well as republican areas. We must stop that criminality, as otherwise we get a society that is not wholesome. People have had their minds concentrated because of the events of the past few weeks, and perhaps in some ways that is not a bad thing, because we can tell the people of Northern Ireland that we will concentrate on trying to end that criminality and ensuring that all parties that are in the Executive abandon any idea of linkage with groups that involve themselves in any criminality.

David Taylor: Following last night's denial by the Provisional IRA that it was involved in last month's Northern bank robbery, the Police Service of Northern Ireland has asked why the statement has been made now, not three weeks or so ago, and the Secretary of State has said that he still concurs with Chief Constable Orde's judgment that IRA-Sinn Fein are implicated in the crime. If that is so, why does he not impose on Sinn Fein the penalty of exclusion—for, say, 12 months—from a new power-sharing Executive?

Mr. Murphy: The issue of exclusion from an Executive would arise, of course, in the event of an Assembly being up and running, and rules are laid down for that. The Independent Monitoring Commission would report to the Assembly. If the Assembly did not take a decision on that, it would come to me in terms of exclusion. At the moment, of course, there is no Assembly, but the issue still goes back to

the fact that there must be trust among the parties for an Executive to be formed. There were considerable negotiations leading up to Christmas that, in the end, did not work. That was a great pity, but at the end of the day, unless we tackle the criminality, we will not get the trust for the parties to get together. Whatever the reasons behind exclusion and all the rest of it, that is the fundamental problem that we face. Both Governments agree that the IMC should report earlier than in April. We have not yet decided the details. Of course, we will request the IMC to do precisely that; and of course it has in its remit the possibility of sanctions and penalties.

Mr. Campbell: How can the Secretary of State reassure people in Northern Ireland that in discussions that he will have with the political parties he will not countenance bank robbing, gun smuggling, gangsterism and terrorism as any part of a process aimed at getting a satisfactory form of devolved government back in Northern Ireland?

Mr. Murphy: I agree with the hon. Gentleman. I have already talked to him and his party, and doubtless we will have more meetings as the weeks go by. It is important for us to talk to parties about how they think we can move forward, and part of those discussions will deal with the possibility of establishing scrutiny over me and my fellow Ministers. In addition to that, it is important that we emphasise the issue of criminality during any discussions with parties. We must make it clear to parties that bank robberies and criminality in any form simply do not form part of a modern, democratic, non-violent political society in Northern Ireland. Such activities cannot continue, because they corrupt society.

Tony Cunningham (Workington) (Lab): Does my right hon. Friend agree that the unity of the British and Irish Governments in putting pressure on the IRA to cease paramilitary activity should continue and be encouraged?

Mr. Murphy: One of the important aspects of the past couple of weeks has been the way in which the British and Irish Governments have reacted in exactly the same manner to the bank robbery. This week I met Dermot Ahern, the Irish Foreign Minister, and there will be a formal meeting of the British and Irish Governments in Dublin in just under a fortnight to determine where we are. It is important that both Governments take the same view on criminality, as we do, and especially on how the raid on the bank has had grave consequences for the political and peace processes in Northern Ireland.

Mr. Eddie McGrady (South Down) (SDLP): The Secretary of State said that the past process was brought to a halt by criminality. Does he agree that the joint declaration following the Leeds series of talks indicated that paramilitarism and criminality were debarments from future talks? What then happened in respect of the heists and robberies at Makro and Gallahers and the abduction of Bobby Tohill? Were they not acts of criminality carried out during the talks process? What was new that meant that this specific criminality brought the process to a halt? If the Secretary of State gets back to the talks, will he go back to the basics of the Good Friday agreement and make them inclusive of all parties in Northern Ireland that subscribed to that agreement? The people of Ireland—north and south—endorsed the principle of inclusivity on a proper basis for such talks.

Mr. Murphy: Yes, and one of the great benefits of the process in which my hon. Friend was involved in the lead-up to the Good Friday agreement was the fact that all parties were in Castle buildings making decisions together. There is no real substitute for that. However, I remind him that although that was a major principle behind how we arrived at the talks, a further principle of the Good Friday agreement was that there should not be criminality and that bodies such as the IRA and loyalist groups should not be associated with parties regarding criminality. It is important for hon. Members and people in Northern Ireland to realise that the bank robbery in Northern Ireland violated the Good Friday agreement and the principles that lie behind it. The Good Friday agreement was not about continuing criminality and paramilitary activities, but ending those things.

Mr. Michael Mates (East Hampshire) (Con): I am sure that everyone will sympathise with the position in which the IRA has put the Secretary of State and his Ministers through its blatant disregard for the letter and spirit of the Good Friday agreement. Does he agree that several issues have been on hold for some months in the hope that we could get a devolved government so that the Assembly, if it could come together again, could make decisions that needed to be taken? Now that it is clear that there will be no progress on that front for many months, if not years, may I urge him to implement the measures that have been held up and thus give the people of Northern Ireland firm government at least, even if it has to be the second best—the continuation of direct rule?

Mr. Murphy: The right hon. Gentleman's point about second best is right. We have to get the best, which is local Ministers taking decisions locally and being held accountable by local people. That is the aim of us all. But of course the right hon. Gentleman is correct: government has to continue, decisions have to be made and there has to be good governance in Northern Ireland, albeit through direct rule. Our job is then to consult as widely as we can with people in Northern Ireland, including the political parties, when we make vital decisions.

Helen Jackson (Sheffield, Hillsborough) (Lab): The Secretary of State is right to see this appalling crime in the context of the wider future for Northern Ireland and its potential devolution. Does he agree, however, that Sinn Fein should take that crime as its opportunity to make a clean break with the criminal and IRA elements in the communities that it is supposed to be representing politically?

Mr. Murphy: My hon. Friend makes an important and interesting point. If that break with criminality does not come, we really have no hope of getting the institutions in Northern Ireland up and running again.

Lembit Öpik (Montgomeryshire) (LD): We all recognise the crucial importance of tackling the deep divisions in Northern Ireland society, but it is now more than a year since the consultation on "A Shared Future" ended. Is the Minister aware that it identified continuing communal conflict and tensions, but little evidence of significant increases in shared education and housing? Given that the consultation led to specific strategic and tactical recommendations, both national and local, may I ask when the Government intend to publish their action plan based on "A Shared Future"?

Mr. Murphy: The new policy framework is currently at the final draft stage. My right hon. Friend the Minister of State and his officials have engaged in consultation with all parties and other stakeholders in Northern Ireland. Publication is expected in late February or March, and an action plan is expected to follow in the autumn.

Mr. Harry Barnes (North-East Derbyshire) (Lab): In an earlier answer, did not my right hon. Friend put the cart before the horse? In order to set up the Executive, surely there needs to be the exclusion of Sinn Fein, rather than the other way round.

Mr. Murphy: We must never get away from the central issue that this bank robbery has highlighted: criminality. We have to resolve that in order for a fully inclusive Executive to be established. For a voluntary coalition to work, it would have to involve nationalists and Unionists. The parties are making suggestions to me about other methods by which we could improve scrutiny in Northern Ireland; whether that is by having an Assembly without an Executive, as some parties have suggested, we will have to wait and see. At the end of the day, we have to concentrate on stopping criminality as the major issue for us in Northern Ireland.

Mr. David Lidington (Aylesbury) (Con): I am sure that the Secretary of State will have noted the comment of a very senior Sinn Fein negotiator that the abduction and murder by the IRA of Mrs. Jean McConville, mother of 10, was not a criminal act. Does not that single comment indicate the distance that Sinn Fein and the IRA still have to travel before they really understand what democratic and peaceful politics is about?

Mr. Murphy: The abduction of Mrs. McConville, who was, as the hon. Gentleman said, a mother of 10, was a wicked criminal act, and to suggest otherwise is preposterous. No political party can define what a crime is in Northern Ireland, or anywhere else for that matter. I think that everybody in the House and in Northern Ireland would recognise that that was a wicked, terrible crime, which everybody condemned.

Mr. Lidington: There is no difference between the Secretary of State and myself on that.

Will the right hon. Gentleman make it clear in his conversations with the political parties that the Government will not allow the IRA to treat guns, private armies and criminal empires as some kind of bargaining chip to be traded for political concession or meetings at No. 10; that giving up crime and violence is a condition of inclusion in democratic politics and in government; and that all the powers and resources of both the British and the Irish Government will be directed at breaking the grip that both republican and loyalist mafias still have on too many communities in Northern Ireland?

Mr. Murphy: I very much agree with the hon. Gentleman. As I have said repeatedly this morning, there is no question of having an inclusive Executive until the problem of criminality is resolved. We simply cannot have our communities in Northern Ireland, whether in loyalist areas or in republican areas, bedevilled by criminality and paramilitarism.

Mr. Nigel Dodds (Belfast, North) (DUP): Given the continuing failure of the IRA and Sinn Fein to abide by exclusively peaceful and democratic means, and given, in the IRA statement last night, their contemptuous refusal to face up to the truth and accept their involvement in criminality, terrorism, paramilitarism and so on, when will the Secretary of State reflect the anger of the community across the board in Northern Ireland, come to the House and tell us what action he will take? When will he move ahead with those parties that want proper devolved government up and running in Northern Ireland and stop allowing the criminals of Sinn Fein-IRA to hold the rest of the community to ransom?

Mr. Murphy: First, because he has attended meetings with me, the hon. Gentleman is conscious of the fact that I have to talk to his and other parties in Northern Ireland to see where the future lies in terms of devolution and the institutions. I repeat that we cannot have an Executive as it is envisaged in the Good Friday agreement unless we tackle criminality, and we cannot have a voluntary coalition unless it contains both nationalists and Unionists. There might be other ways in which we can exercise democracy in Northern Ireland—for example, through the Assembly without an Executive—and, like my Irish counterparts, I am perfectly willing to consider all the aspects of strands 1, 2 and 3. What is important is that we continue the dialogue and aim for local involvement in decision making in Northern Ireland. The hon. Gentleman is right to point out that many people in Northern Ireland, not just politicians, want a devolved Administration in which their politicians can be held to account.

Mr. Roy Beggs (East Antrim) (UUP): The Secretary of State has shown extreme patience in trying to find a political way forward, but what useful purpose can be served by further talks with Sinn Fein-IRA, whose spokesperson, P. O'Neill, is an undoubted liar? For how much longer will the representatives of truly democratic parties in Northern Ireland be denied the opportunity to represent the law-abiding electorate?

Mr. Murphy: I have little to add to my previous answer on what we have to do to get a voluntary coalition or the Executive as it is envisaged in the Good Friday agreement. However, there is sense in talking to representatives of Sinn Fein, not least because we can emphasise to them the significance of what has happened since the bank raid and the importance of ending criminality in Northern Ireland. We have to

make it clear to them that that is the purpose of the Government, the Irish Government, all the people of Northern Ireland, and all Members of this House.

Ministerial Accountability

2. **Mr. Andrew Turner** (Isle of Wight) (Con): What steps he is taking to ensure there are mechanisms for accountability of Ministers in his Department to electors in Northern Ireland. [208435]

The Minister of State, Northern Ireland Office (Mr. John Spellar): As my right hon. Friend the Secretary of State said to the House last Tuesday, we recognise the concerns that a number of people have expressed about the accountability of direct rule Ministers. We will reflect carefully on ways in which the existing accountability mechanisms may be strengthened and supplemented, including proposals put forward by some of the parties in Northern Ireland.

Mr. Turner: A moment ago, the Secretary of State mentioned the possibility of having an Assembly without an Executive. Is he willing for his Ministers to be accountable to that Assembly?

Mr. Spellar: The Secretary of State rightly said that we have had a number of suggestions, some of which are variations of the one that the hon. Gentleman just described. We have to engage in discussions, and my right hon. Friend and I are discussing with political parties how to move on, but we have to get some common ground between the parties on such issues.

Mr. Seamus Mallon (Newry and Armagh) (SDLP): The Minister might agree that at a time like this there is always the temptation to do something for the sake of doing something. Will he firmly resist the temptation to go down the James Prior road and have an Assembly without either authority or responsibility? He should not spend time and effort on something that will fail, but base the effort on the fact that only the two sovereign Governments acting together have the power and the authority to deal with criminality, illegal arms and illegal armies.

Mr. Spellar: I echo the comments of my right hon. Friend the Secretary of State about the core importance of tackling criminality, which is re-emphasised by the hon. Gentleman. His party has views on how we could move forward to greater ministerial accountability. We are considering that, but obviously we need common ground between parties as to how we make progress, recognising the common desire for greater accountability.

Mr. David Lidington (Aylesbury) (Con): Is not one way to ensure greater accountability to transfer certain powers away from Ministers to directly elected local authorities? In that context, will the Government press forward with the proposals under the review of public administration that seem to have been gathering dust in pending trays for far too long?

Mr. Spellar: That is not right. The Under-Secretary, my hon. Friend the Member for Dudley, South (Mr. Pearson), has been having discussions with parties regarding the review of public administration. There is not unanimity even on, for example, the number of local authorities there should be. Discussions are taking place as to which powers should be delegated to those local bodies. Of course, that would have a significant impact on a future Assembly and Executive, so the matter is not straightforward. We take the point that devolving decisions to the most appropriate local level is important, but we need to achieve some common ground on it.

Mr. Iain Luke (Dundee, East) (Lab): Does my right hon. Friend agree that one way of increasing the accountability of Ministers to the people of Northern Ireland and making the workings of the House more accessible to them would be for the sittings of the Northern Ireland Grand Committee to take place in Northern Ireland during the suspension?

Hon. Members: Hear, hear.

Mr. Spellar: As my hon. Friend and those who cheered that comment know, there is not exactly common ground on that in the Northern Ireland Grand Committee. We continue through the usual channels to explore how that could be progressed, but we recognise that there are difficulties.

Northern Ireland Assembly

3. **Lady Hermon** (North Down) (UUP): What the total cost of the Northern Ireland Assembly has been since its suspension in October 2002; and if he will make a statement. [208436]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr. Ian Pearson): The cost of maintaining the Northern Ireland Assembly since suspension in October 2002 until 31 December 2004 has been £53.5 million. That comprises £23.2 million for costs relating to Members and political parties, £20.2 million for costs relating to Assembly staff, and £10.1 million for property, accommodation and business service costs.

Lady Hermon: Can the Minister explain the moral justification for continuing to squander £2 million per month on a phantom Assembly at Stormont?

Mr. Pearson: It is important to recognise that the Assembly machinery must be maintained for when devolution is restored. As a Government we carefully monitor the situation. The number of Assembly staff has been reduced from 403 to 292, and about 40 per cent. of those have been fully or partially redeployed. We have saved about £15 million during the present financial year by allowing staff to go to work for other departments. We will continue to keep these matters under review.

David Burnside (South Antrim) (UUP): Rather than continuing the phantom, empty, inoperative Assembly, should not the Government move ahead and give us

accountable government by speeding up local government reform, getting rid of the health and education quangos and giving us a tier of local administration on top of Government, similar to the way in which England and Wales are governed?

Mr. Pearson: I agree that it is important that we move forward with the review of public administration, which the people of Northern Ireland clearly want to see. As the hon. Gentleman knows, I have been having discussions with a range of political parties during recent months, and I will continue to do so. We are just finishing some work on local identity, and I hope to have a firm proposals paper ready for consultation either at the end of February or early in March, which I hope will fully address the issues that he rightly raised.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [209301] **Ann McKechin** (Glasgow, Maryhill) (Lab): If he will list his official engagements for Wednesday 19 January.

The Prime Minister (Mr. Tony Blair): If you, Mr. Speaker, and the House will allow me, before listing my engagements, I will once again briefly update the House on the current casualty figures from the tsunami in respect of the British missing and dead. The number of category 1 missing—those most likely to be lost—is, including the 53 confirmed dead, now 274, which is down from 410 last Wednesday. The category 2 figure—those unaccounted for in the region but not in the highly likely category—now stands at 360. That is down from over 600 last Wednesday.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Ann McKechin: This week, Dr. Jeffrey Sachs presented his report on the millennium development goals to the United Nations, and showed how far short the world is of reaching those targets. When 150,000 children in Africa die each month from malaria alone, and when 114 million children are denied even basic education, does my right hon. Friend agree that, when the G7 finance leaders meet next month, we should press them for substantial increases in debt relief, and to use the International Monetary Fund gold reserve to achieve it?

The Prime Minister: I entirely agree with what my hon. Friend says. Indeed, my right hon. Friend the Chancellor announced that the UK would pay its share of the debt service owed to the World Bank and African Development Bank on behalf of low-income countries that could then use the debt service reduction for action on poverty, health and education—the very things that the millennium development goals deal with.

We will press other G7 countries to join this initiative. It is important that they do and I hope that Europe joins this initiative as well. We can then make sure that the money that these countries desperately need, scarce enough as it is, is not going to pay billions of dollars-worth of debt service repayments.

Mr. Michael Howard (Folkestone and Hythe) (Con): I am grateful to the Prime Minister for updating the House on the latest figures for victims of the tsunami.

The appalling photographs in today's newspapers bring shame on our country, but we should recognise that they in no way reflect the true character of Britain's armed forces. While the current court martial will decide on individual issues of guilt or innocence, what steps will be taken to investigate the circumstances in which conduct of the kind alleged can take place?

The Prime Minister: First, let me say that everyone finds those photographs shocking and appalling. There are simply no other words to describe them. However, in fairness to our armed forces, I want to make two points. First, the difference between democracy and tyranny is not that in a democracy bad things do not happen, but that in a democracy when they do happen people are held and brought to account, and that is what is happening under our judicial system. Secondly, the vast majority of those 65,000 British soldiers who have served out in Iraq have done so with distinction, with courage and with great honour to this country. So while we express in a unified way our disgust at those pictures, I hope that we do not allow that to tarnish the good name—fully deserved—of our British armed forces.

I can also assure the right hon. and learned Gentleman that we will do everything that we can—the Army is doing this already—to investigate the circumstances surrounding these matters. The very fact that these courts martial are being brought is an indication of how seriously the Army takes them.

Mr. John Hume (Foyle) (SDLP): Given the Chancellor's positive statement on sending assistance to the poorer countries of the world, and given that the poorest countries in the world are those without education, is not education one of the best forms of assistance that we can send, because it will enable such countries to become totally self-sufficient in a generation or so?

The Prime Minister: My hon. Friend is right that investment in education is the best investment that we can make. It is worth pointing out that measures led by this country have already been taken on debt relief. For example, Uganda has been able substantially to increase the number of children in primary education, precisely because it has been able to spend money on education. That is why it is so important that the initiative announced by my right hon. Friend the Chancellor is extended to other countries and that they agree to it.

Mr. Charles Kennedy (Ross, Skye and Inverness, West) (LD): All of us agree with the sentiments expressed earlier by the Prime Minister on the publication of the photographs of abuse and I am sure that he will agree that the photographs' very circulation is likely to increase the difficulties and dangers for our troops, who are good and honourable, in Iraq. What is his assessment of the impact of the circulation of those images on likely levels of violence? Given the reports of

bombings today, does he think that there may yet be a need for additional British troops to bolster the safety of the troops who are currently in position?

The Prime Minister: On the last point, the additional deployment for the purposes of the election is satisfactory and sufficient, and I am not aware of any request for additional troops. On the first point—we saw this when pictures of American soldiers were published—I think and hope that people in Iraq understand that the fact that we are taking action and prosecuting people who we believe may have been guilty of offences indicates that we do not tolerate that type of activity in any shape or form. It is worth emphasising that Iraqis to whom I spoke on my visits to Basra have paid tribute to the British armed forces' work.

Over the next few weeks, Iraqis will have the chance to participate in their first ever democratic elections. Millions of them want to take part and I am sure that they will. According to the United Nations, the vast majority of Iraqis who are allowed to participate want to participate, whatever part of Iraq they come from. In part, they can do that only because of the courage of British soldiers, who are remaining in Iraq to help them reach the state of democracy that the Iraqis want.

Mr. Kennedy: On troop numbers, given that the Governments of Holland, the Czech Republic and Portugal have all indicated that they will start a phased withdrawal of their troops from the British sector in Iraq over the coming months, what is the likely consequence for our troop numbers? For example, does the Ministry of Defence plan to send in more troops after the election to plug any gaps left by the withdrawal of those forces?

The Prime Minister: No, there are no plans to expand the British contribution. It is correct that some of those countries that had a time-limited commitment to Iraq will act in accordance with it. For example, the Dutch will withdraw their troops at a certain point after the election process. At the same time, however, the Iraqis' capability and capacity in relation to armed forces, police and civil defence is being developed all the time. It cannot be emphasised too often that we do not want to stay for a moment longer than we need to and that the Iraqi people do not want us to stay for a moment longer than we need to. It is a question of staying until the Iraqis' capability is sufficiently robust that they can look after their own security. Everything that comes out of Iraq makes it clear that the people who are causing terrorism and insurgency do not represent the vast majority of Iraqis or even the vast majority in the communities around Baghdad. If they were left to it, those people would be very happy to live in a free democracy, as would the rest of us.

Q2. [209302] **Mr. Neil Gerrard** (Walthamstow) (Lab): I am sure that the Prime Minister knows about my Bill, which I have introduced with cross-party support, to require approval by a vote in Parliament before British forces are sent into armed conflict. Will he support those proposals, so that no future Prime Minister can ignore the important precedent that he set when we had a vote, whether or not some of us liked the result, on Iraq, and will he consider setting another precedent by providing Government time in which to debate my Bill?

The Prime Minister: I thank my hon. Friend for his kind acknowledgement that we provided an opportunity for this House to debate the conflict before entering into it. On the rest of his points, I am afraid that I will have to disappoint him. As I have said many times before, it would be unthinkable for a country to go to war against the wishes of Parliament, but it is not right to constrain the prerogatives that exist at the moment. We did allow people to have a vote before the Iraq conflict, but there may be circumstances—I cannot foresee them, but there may be—in which action has to take place very quickly. I will study my hon. Friend's Bill carefully, but we would have to consider the detail of it before any such change was made.

Mr. Michael Howard (Folkestone and Hythe) (Con): Before the last election, the Prime Minister promised not to increase the basic or top rate of income tax. Will he give the same pledge today?

The Prime Minister: We have of course honoured that pledge. In respect of any pledges that we make at the next election, the right hon. and learned Gentleman will have to wait for our manifesto. Of course, there will be a Budget in the meantime. I would point out to him that we have not raised the top rate of tax and that we have actually cut the basic rate.

Mr. Howard: Everyone will have noticed that the Prime Minister is not prepared to give that pledge. Now, will he promise not to increase national insurance contributions?

The Prime Minister: As I said before, we will give the details of any tax commitments we make in our manifesto. I might point out to the right hon. and learned Gentleman that the Government of whom he was a member fought an election specifically on not putting VAT on fuel, and then put VAT on fuel, so we will take no lessons on broken promises on tax from him.

Mr. Howard: The Prime Minister promised not to put up taxes at all. He said that he had no such plans. He said that no one should assume that this Government would increase national insurance contributions, and the first thing that they did after the election was to increase national insurance contributions.

Every independent expert—the International Monetary Fund, the Organisation for Economic Co-operation and Development, the CBI, the British Chambers of Commerce, the National Institute of Economic and Social Research, *The Economist*, the Institute for Fiscal Studies—says that the Government are spending more than they are raising and that a Labour Chancellor would have to put up taxes. Why does the Prime Minister think that they are all wrong?

The Prime Minister: I think that they are wrong for the very simple reason that the Treasury forecasts on the economy have been proved right. The right hon. and learned Gentleman was the person who told us that we would have a recession as a result of Government policy.

As we are talking about tax commitments, I have been having a look at the right hon. and learned Gentleman's supposed tax commitments. I hope that he will now publish the detail behind the so-called James review, because it is actually based on the Government's own savings as set out in Sir Peter Gershon's report. It also has a set of completely incredible savings. To give just one example, the right hon. and learned Gentleman is going to save almost £1 billion from the commissioning of care by primary care trusts, when the total amount of care commissioned by PCTs—the administrative costs—is £90 million. That is one example, and I will give many, many more. It is a long list, but we will have time to explore it. In addition, he is going to cut the new deal, despite the fact that it has helped hundreds of thousands of people into work, on the very day when unemployment has yet again fallen. That is the difference between Tory cuts and Labour investment.

Mr. Howard: The Prime Minister has got his figures on James wrong, just as the Transport Secretary and the Chancellor of the Duchy of Lancaster got them wrong on Tuesday. We have published whole of that report—173 pages of it; it is on the Conservative party website. Is it not absolutely clear that the Prime Minister plans to do what he has always done—to put up taxes in the first Budget after a general election? Is it not clear that the choice facing the country is between more waste and higher taxes under Labour and value for money and lower taxes with the Conservatives?

The Prime Minister: I am delighted that the right hon. and learned Gentleman is into that argument because he says that everything is published on the website, but I have been having a look at what is published. For example, it says that, by changing the role of regional development agencies, he will save £365 million, yet the total administrative costs of all RDAs are far less than that figure. It is regeneration programmes in local communities and not bureaucracy that will actually be cut. He says that he will cut £1 billion by scrapping the sustainable communities plan but that figure includes £400 million that is spent on social housing and on helping pensioners and others get a better standard of living. That is not waste, that is cuts in front-line services. I can do no better on his record on tax than to quote this:

"The sad truth is, when we were in office we made promises on tax we couldn't keep."

Who was the author of that statement? The shadow Chancellor.

Mr. Howard: The right hon. Gentleman is wrong on social housing, too. We have spelled out in detail how we shall be able to provide more social housing than the Government. Everybody knows that the Government waste money. The Gershon report says that they waste £21 billion of taxpayers' money, and we have been able to provide more savings. Have there ever been a Government who taxed so much, wasted so much and achieved so little?

The Prime Minister: The right hon. and learned Gentleman is keen to get away from the detail of that but he is not going to in the days ahead. Let me give another example of his so-called cuts. He says that he will scrap the Small Business Service, which means approximately £400 million—

Mr. Speaker: Order. I say to the Prime Minister that he must concentrate on the policies of his Government. I say to the Leader of the Opposition that he has commented on his policies when he should be asking a question. Perhaps the Prime could oblige me.

The Prime Minister: Absolutely right, Mr. Speaker, and therefore let me make a commitment on our policy: we will keep the Small Business Service, not cut it. We will keep the new deal, not cut it. We will keep the money that goes into regeneration, not cut it, and we will keep the money that goes into health care and not cut it. We will never promise to cut taxes and spend more—the promises that the previous Conservative Government made. What did they end up with? Boom and bust. *[Interruption.]*

Mr. Speaker: Order. The Chairman of the Catering Committee, the hon. Member for Wolverhampton, South-East (Mr. Turner), should know better.

Mr. Eric Martlew (Carlisle) (Lab): If we can get away from elections and back to the reality of my constituents for a moment, I am conscious that my right hon. Friend is aware of the effects of the recent disastrous floods in Carlisle. The latest position is that thousands of people have been forced out of their houses, perhaps for at least eight months, and 260 businesses have been badly affected. So far, the Government's response has been good and I hope that that will continue. However, will he ensure that the new flood defences that were planned will be modified and that work on them will be started as soon as is feasible? Will he give a commitment that they will be of a standard that would have withstood the water that caused the recent flood?

The Prime Minister: I express my sympathy to my hon. Friend's constituents who have been affected by the flooding. I understand their concern, since more than 3,000 houses have been flooded and many more have suffered wind damage. The Environment Agency was already considering the options for a new flood defence scheme to give added protection to Carlisle. I note that, as a result of what has happened, it and the Department for Environment, Food and Rural Affairs are considering how they can ensure that any new flood protection scheme tries to tackle the problem that has affected my hon. Friend's constituency. We understand the urgency of that. As I said when I spoke to him the other day, I shall take a personal interest in ensuring that that is done properly.

Q3. [209303] **Mr. Eric Forth** (Bromley and Chislehurst) (Con): Will the Prime Minister pledge—and tell his Chancellor—not to raise taxes at all?

The Prime Minister: As I have already said, the Chancellor will set out the detail in the Budget. When we come to the election, we will set out our promises on tax as on everything else. We will not make promises that we cannot keep. In particular, we will not say that we can somehow cut everyone's tax and increase spending

without that resulting in a serious problem for the country. Not merely on the detail but on that general principle, the right hon. Gentleman and his party have lost any minimal credibility that they had, and we will enjoy pursuing them on that issue between now and polling day.

Mr. Dennis Skinner (Bolsover) (Lab): Does the Prime Minister recall that, in the past two years, the Government have had to intervene in regard to railway firms that were not pulling their weight and, in one case, to a firm that was being neglectful on safety? Is he aware that the coal industry is now suffering from the same problem? UK Coal, the largest employer in the industry, is not only neglecting safety but running down the few remaining pits. I would expect the Government to do the same for the energy industry as they did for the railway industry. They should intervene, get rid of UK Coal and put somebody in there who can be trusted to save the mines.

The Prime Minister: I will certainly look into the point that my hon. Friend has raised on UK Coal. Part of the problem comes from the way in which privatisation took place, both in transport and in the coal industry. The result of that has been the waste of many billions of pounds—we have been debating waste today—and the loss of jobs in mining communities.

Q4. [209304] **Charles Hendry** (Wealden) (Con): At the last election, Labour sent a text message to young people that said:

"CLDNT GVE A XXXX 4 LST ORDRS? VTE LBR ON THRSDY 4 XTRA TIME"

Given the increasing concerns about binge drinking, alcohol-related crime and antisocial behaviour, is the Prime Minister proud of that campaign?

The Prime Minister: I have to say that this is the Conservatives' attempt, after the debate about the changes to the licensing law, which they supported at the time, to say that they were really against them. Let me explain the position to the hon. Gentleman. The fact is that the changes will introduce more flexible licensing. The number of clubs or pubs that will apply for 24-hour licences is very small, but there will be greater flexibility. The important point is that, in addition, there will be greater powers for police and local residents to object to licences to ensure that the minority of places that are causing the trouble are shut down. There are greater powers under the antisocial behaviour legislation to deal with people who are drunk and disorderly and causing trouble. As I said last week, the pleasure of the 95 per cent. of people who play by the rules and abide by the law should not be affected by the small minority who misbehave under the existing laws and would misbehave under any laws. The task is surely to deal with them specifically, and to deal with the pubs and clubs that are allowing them to misbehave in that way.

Mr. Fabian Hamilton (Leeds, North-East) (Lab): Will my right hon. Friend join me in congratulating the divisional commander of Chapeltown police, Chief Superintendent Howard Crowther, and his team on an operation last month that resulted in the removal and arrest of 180 drug dealers from the streets of Chapeltown? Does my right hon. Friend agree that the only way to sustain the freedom of the streets for the community is to adopt the kind of policies that this Government support, which ensure the social, economic and physical regeneration of suburbs such as Chapeltown? Does he also agree that if the Conservatives ever got back into Government—

Mr. Speaker: Order.

The Prime Minister: I congratulate Howard Crowther and his team on what they have done in Chapeltown, which I know is an example that is being studied elsewhere in the country. It is an example of the police working with the local community to use the new antisocial behaviour powers. It is important that they do that. The other point that my hon. Friend made is also important. This is not just about having tougher laws on closing the houses of drug dealers, seizing their assets and making sure that they are properly prosecuted through the courts. The other part of the equation involves regenerating some of these areas in terms of housing and employment. That is why it is so important that the money that we have set aside for this continues to be spent.

Q5. [209305] **Mr. Tim Boswell** (Daventry) (Con): Six years ago, the average first-time home buyer paid no stamp duty. Last year, they paid £1,300. Will the Prime Minister have a cosy fireside chat with his Chancellor about that?

The Prime Minister: We will publish over the next month proposals that will help first-time home buyers. For those families who are struggling to get on the housing ladder, it is important that we increase the supply of housing in a planned and orderly way that does not affect the green belt. It is no use Conservatives saying on the one hand that they are in favour of helping people on to the housing ladder and into the housing market, while on the other hand opposing all the measures necessary to do so.

Q6. [209306] **Mr. David Marshall** (Glasgow, Shettleston) (Lab): My right hon. Friend will be aware of the considerable economic progress made in the city of Glasgow since 1997, with more than 50,000 new jobs being added to the city's employment base. Is he also aware, however, that the number of people classified as economically inactive remains at 100,000, which is one in three of the available work force? Will he consider what new initiatives and additional resources might be made available to the Department for Work and Pensions, Jobcentre Plus, Scottish Enterprise Glasgow and other local agencies, to enable them to help many of those on incapacity and related benefits back into work?

The Prime Minister: My hon. Friend points out rightly that we now have record employment levels, with 2 million more jobs since 1997, long-term employment down by 80 per cent., and the number of young people on the dole having fallen by almost 80 per cent. since we came to office. He is also right, however, to say that there is much more to do. That is why it is important that the new deal programme is kept and extended, and that we help people on incapacity benefit who can work to get

off benefit and into work. All of that requires an active policy for the labour market, which is precisely why, instead of savaging or privatising Jobcentre Plus, which is the policy of the Conservative party, we should ensure that we help more people off benefit and into work. Those 2 million jobs have not just been about the strength of the economy, important though that is, but about active Labour party—and labour market—measures to help people off benefit and into work, to give them training, child care and all the things that sometimes stand between them and a decent job.

Mr. David Trimble (Upper Bann) (UUP): The Prime Minister has known for some time that the republican movement was responsible for the Northern Bank raid. Because he has yet to develop a coherent response, he is in danger of giving the impression that after a little while he will welcome back through his door the biggest bank robber in British history. Does he realise the damage that that will do to himself and his party?

The Prime Minister: First, I should say to the right hon. Gentleman that I do not in any shape or form dismiss the importance or seriousness of what has happened. We are now seeing what we do to find a way forward which ensures that those people who are democrats and committed to every aspect of the democratic process are able to find a way forward, and that those people who are not prepared to commit themselves to exclusively peaceful means do not hold up the process for everybody else. That is what we will consider. As he knows, such a proposal requires not only support in the Unionist community but support in the nationalist community, too. If I can, I still want to find a way forward that includes everybody. It must be said, however, that we can no longer have a situation in which political parties are associated with paramilitary groups that are committing either what we might call terrorist offences or ordinary criminality. There simply can be no place for that. Unless and until it is absolutely clear that things have changed fundamentally, it is difficult to see the way forward on that inclusive basis. But the challenge is not for us. The challenge is for those who have been engaged in that type of activity to realise that we cannot wait for ever while they make up their minds.

Q7. [209307] **Mr. Bob Blizzard** (Waveney) (Lab): Overall crime continues to fall in my constituency, with burglary down 33 per cent. last year. Will my right hon. Friend join me in welcoming the seven new community support officers who have just started work in Lowestoft? With 20,000 more CSOs planned nationally, can he tell us how many more new CSOs my constituency can expect to see and what more he will do to tackle antisocial behaviour, if we continue to invest in crime fighting rather than cut the Home Office budget as the Conservative party would do?

The Prime Minister: My hon. Friend is right in saying that overall burglary has fallen, according to the British crime survey, by about 40 per cent. If one is a victim of burglary, however, is it no consolation to know that that is the case. It is therefore important that as well as the type of laws that we have introduced in relation to antisocial behaviour and drugs particularly—often, burglary and acquisitive crime are linked to drug addiction—we increase the numbers of police and community support officers. I assure him that that programme will continue and be expanded in the way in which we have said, and that it is fully funded within the Government's programme. Community support officers—opposed by the Conservative party when they were introduced—have in fact been tremendously popular.

Q8. [209308] **Mr. Bill Wiggin** (Leominster) (Con): Will the Prime Minister look again at the decision as asked for by the colonel of the Royal Welsh Regiment—that Welsh regiments should be allowed to show their names in the same way as the Royal Regiment of Scotland?

The Prime Minister: I will certainly look into that. I am aware of concern about it. I think that my right hon. Friend the Secretary of State for Wales is looking into it already, but I will ensure that I am properly acquainted with the facts as well.

Mr. David Clelland (Tyne Bridge) (Lab): Is my right hon. Friend aware that what has been described as the finest music auditorium in the world is not in Paris, not in Rome, not in New York, and not even in London? [HON. MEMBERS: "Where is it?"] In fact, it is in Gateshead. When my right hon. Friend visits the new Sage music centre on the bank of the Tyne, which he will do fairly shortly, will he take the opportunity to congratulate all who have been involved with it, and in particular congratulate Gateshead's Labour-controlled council on its vision? Will he also ask his Ministers to co-operate fully with the council in its further efforts to develop the quayside area of Gateshead?

The Prime Minister: Anyone who has visited the quayside area knows that what my hon. Friend said is absolutely true. The centre and, indeed, the whole development are a testament to the vision and leadership that have been offered locally. I think that that is one reason why people now consider the area one of the places to go in Europe, a fact of which my hon. Friend and his constituents can be very proud.

Points of Order

12.31 pm

Mr. Julian Brazier (Canterbury) (Con): On a point of order, Mr. Speaker. May I ask what the arrangements are for amending *Hansard*? A few moments ago, the Prime Minister suggested that the official Opposition had voted with the Government on the Licensing Bill. We did of course oppose it on Third Reading.

Mr. Speaker: That is not a matter for me and it is not a point of order.

Mr. Tam Dalyell (Linlithgow) (Lab): On a point of order, Mr. Speaker. Have you received a request from either a Law Officer or any Minister to clarify the law of sub judice in relation to courts martial? The events in Osnabruck at least require clarification in relation to sub judice.

Mr. Speaker: That is not a matter for me.

Opposition Day

[2ND ALLOTTED DAY]

Value for Taxpayers' Money

Mr. Speaker: I have selected the amendment in the name of the Prime Minister.

12.32 pm

Mr. George Osborne (Tatton) (Con): I beg to move,

That this House notes that the Government has increased taxes 66 times and has failed to give value for taxpayers' money; is concerned that independent commentators believe that taxes will have to be increased under the Government's spending plans; and calls for a change of direction away from the path of more waste and higher taxes to a path of value for money and lower taxes.

The debate gives us a timely opportunity to discuss the Government's failure to give taxpayers value for money, a timely opportunity to discuss the tax increases that almost every independent expert now believes to be inevitable if Labour is re-elected, and of course a timely opportunity to discuss how we should be putting spending on a more sustainable basis, enabling us to cut taxes imposed on hard-working families.

I welcome the presence of the Chief Secretary to the Treasury, because he has been the invisible man this week. As I have toured the television and radio studios, I have kept bumping into the Secretary of State for Transport, who has taken on the role of the Government's chief spokesman on spending. Obviously the purdah that applies to the Chancellor of the Exchequer in the context of election campaigning has been applied to the entire Treasury team, and they are all being kept under lock and key. I am glad to see, however, that the Chief Secretary has been let out on day release for this important debate.

There is a danger that debates of this kind may become somewhat partisan, and we would not want that to happen, so let me begin by trying to establish cross-party consensus. I shall do that by agreeing entirely with what the Financial Secretary to the Treasury said recently:

"we're going to have an election . . . when people will say 'we've paid a lot of taxes but what has really been achieved with all that money?' . . . Too often a lot of money has been spent but very little seems to have been achieved".

I agree. I am happy to work on the basis of that consensus: I want to establish that at the outset.

John Robertson (Glasgow, Anniesland) (Lab): Will the hon. Gentleman give way?

Mr. Osborne: I will certainly give way to the hon. Gentleman. Does he agree with the Financial Secretary that a lot of money has been spent but very little seems to have been achieved?

John Robertson: Does the hon. Gentleman not think that jobs are the most important thing, and it is in that regard that we get the best value for money in terms of tax? My right hon. Friend the Chief Secretary and his colleagues have done more than anyone else to get people back into employment.

Mr. Osborne: I am absolutely delighted that I gave way to the hon. Gentleman, who agrees with the Financial Secretary that a lot of money has been spent but very little seems to have been achieved. We have established a consensus. On employment, I should point out that there are now more than 1.1 million people who are not in work, training, or education—more than in 1997.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op) *rose—*

Mr. Osborne: I am happy to give way to the hon. Gentleman; perhaps he agrees with the Financial Secretary.

Mr. Bailey: What assessment has the hon. Gentleman made of the value for money of the poll tax, which was introduced by the Tory Government?

Mr. Osborne: I was at school when the poll tax was introduced, and at university when it was abolished. I shall concentrate instead on what the current Government are doing, given the legion examples of waste under them, on which we can have a good three-hour debate.

I was building on the consensus established by the Financial Secretary and the hon. Member for Glasgow, Anniesland (John Robertson). We agree with the Financial Secretary that people have paid a lot in taxes. There have been 66 tax increases—

Mr. James Plaskitt (Warwick and Leamington) (Lab): Will the hon. Gentleman give way?

Mr. Osborne: I will do so in a second, but so that the hon. Gentleman is aware of the Government's tax record, which the Financial Secretary has helpfully outlined, I should point out that as a result of the 66 tax increases and this so-called progressive Labour Government, the tax burden now falls hardest on the poorest in society. There are taxes on pensions, petrol, mortgages, marriage, employers, employees and the self-employed, amounting to £5,000 per family. The hon. Gentleman is a member of the Treasury Select Committee. Does he agree with the assessment of the International Monetary Fund, the Organisation for Economic Co-operation and Development and the Institute for Fiscal Studies that taxes will go up if Labour wins the election?

Mr. Plaskitt: I want to deal with 66 tax rises that the hon. Gentleman likes to cite—a figure at which he has arrived, I think, by working through the Red Book and itemising all the lines that give a tax increase. He is right: there are 66 tax increases, but will he confirm that according to the same accounting methodology, there are also 232 tax cuts?

Mr. Osborne: Any tax reductions introduced by this Government have been more than outweighed by the massive increase in taxation, which amounts to £5,000 per family. But I am glad that this consensus is growing and that the hon. Gentleman accepts that there have been 66 tax increases. It is very useful, as we approach a general election, to have a Labour member of the Treasury Select Committee agreeing with us.

Mr. Peter Pike (Burnley) (Lab): There is one important tax cut that the hon. Gentleman has not mentioned: the cut in VAT on fuel. The current Leader of the Opposition was a member of the Conservative Government, who intended to increase VAT on fuel to 17.5 per cent. ultimately. They never implemented the second stage of that increase because they were defeated by the Labour party, which on entering government immediately reduced VAT on fuel to the minimum level of 5 per cent. That reduction has benefited every taxpayer in this country.

Mr. Osborne: The hon. Gentleman did not mention fuel duties, which have rocketed under this Government. Indeed, because of their very nature, and because of the pledges concerning the basic and top rates of income tax that the Prime Minister made during previous election campaigns, many of the stealth taxes have been imposed through duties. Such taxes fall hardest on the poorest in society, which is why the Office for National Statistics points out that the greatest tax burden is now paid by the poorest quintile.

Mr. David Borrow (South Ribble) (Lab) *rose—*

Mr. Patrick McLoughlin (West Derbyshire) (Con) *rose—*

Mr. Osborne: I am happy to give way to my hon. Friend the Member for West Derbyshire (Mr. McLoughlin).

Mr. McLoughlin: For the record, I agree with the Financial Secretary that a lot of money has been spent and wasted, but does my hon. Friend agree that this is not really a new error? The Government agree with that assessment, which is why they commissioned the Gershon report, and why the Chancellor announced at the Dispatch Box that he wanted to sack 80,000 civil servants. Should we not welcome the fact that the Government have belatedly recognised that they have spent all this money and wasted it?

Mr. Osborne: My hon. Friend is absolutely right: the Government do recognise that fact, but sadly, they are not doing what they said they would do. I am sure that my hon. Friend is an assiduous reader of *The Guardian*, so he will have seen the article on page 14 of today's edition, entitled "Axing Whitehall jobs is smoke and mirrors". It begins:

> "Gordon Brown's plan to make savings by axing 84,000 jobs in Whitehall and relocating another 20,000 staff is largely an illusion".

That is because the Chancellor has not implemented his proposals. We accept the Gershon recommendations, but the difference between us and the Government is that we would implement them.

Mr. Stephen McCabe (Birmingham, Hall Green) (Lab): Did the hon. Gentleman also read the front-page story in *The Guardian* today about the Maypole nursing home in my Hall Green constituency? Twenty-eight

[Mr. Stephen McCabe]

elderly people died there in the space of 12 months in what can best be described as unusual circumstances. I understand that the Conservative strategy on value for money would do away with strategic health authorities and the Commission for Social Care Inspection. We would not know about the situation at the Maypole nursing home were it not for the diligent work by those bodies, so could he tell us what plans he has to replace them with other organisations?

Mr. Osborne: I do not know the exact details of the case, although I have read about the nursing home in the hon. Gentleman's constituency, and heard about it on the radio this morning. If the hon. Gentleman seriously believes that a strategic health authority would do wonders for the patients of that home, I am afraid he is under a delusion. Strategic health authorities are a hugely bureaucratic waste of money. They do nothing to put money into front-line services, and when taxpayers in our constituencies pay their taxes to fund the NHS they do not expect it to end up in the hands of bureaucrats. The public, I suspect, do not even know that strategic health authorities exist.

Mr. Bailey: Will the hon. Gentleman give way?

Mr. Osborne: I have already given way to the hon. Gentleman, and if he will allow me to proceed, I shall certainly do so again later.

Returning to the consensus that I am trying to establish, as well as saying that taxes had gone up a great deal the Financial Secretary said that a lot of money had been spent. That is true, as Government spending has increased by 60 per cent. from £320 billion to £520 billion. The proportion of gross domestic product spent by the Government has increased from 37 per cent. to 42 per cent. I very much agree with the Financial Secretary that

"a lot of money has been spent but very little seems to have been achieved".

Those remarks were endorsed by the hon. Member for Glasgow, Anniesland earlier. I salute his candour, and I also salute the candour of the Labour members of the Select Committee on Education and Skills, which produced a report this month on public expenditure in education. I recommend it to hon. Members, as it makes interesting reading. In the first paragraph of conclusions it says:

"The Chancellor's budget book for 2004 claimed a direct relationship between the increased investment in education since 1997 and improvement in GCSE results in particular. Our evidence showed that with lower levels of investment GCSE results had improved to at least the same extent in earlier periods in the 1990s. The Government needs to take great care in making claims about the effectiveness of increased investment in education in increasing levels of achievement which the evidence cannot be proved to support. Links between expenditure and outcome remain difficult to establish."

Miss Julie Kirkbride (Bromsgrove) (Con): To add to the very good case that my hon. Friend is making, I can tell him that my own constituency in Worcestershire receives one of the lowest Government grants for education and schools, yet achieves some of the highest results, which merely proves what the Education and Skills Committee has finally and commendably put on the record.

Mr. Osborne: I congratulate the schools in my hon. Friend's constituency. I agree that it is good that the Education and Skills Committee is telling us the truth, as is the Organisation for Economic Co-operation and Development.

Mr. Henry Bellingham (North-West Norfolk) (Con): Is my hon. Friend aware that my local education authority, too, is doing extremely well and getting good results? A number of small schools in Norfolk want to use their own capital funds for doing minor building works, but Government rules prevent them from doing so, and they have to use the county council property services, which cost far more. Could my hon. Friend could look into that?

Mr. Osborne: Under our right to choose, almost all the money in the education system will be directed through parents, so there will be no need for the huge bureaucratic layer of local education authorities in their current form to decide such things. Money will go where parents want it to go and where pupils go, which will dramatically improve standards in our schools still further.

The OECD—I am still trying to tell the House what it said—is an august organisation; the Chancellor often quotes it with approval at the Dispatch Box. The OECD said recently that the UK education system had fallen from fourth to 11th place in the world for science, from seventh to 11th for reading and from eighth to 18th for maths. On the extra spending in the NHS, the OECD said that growth in the volume of health care output had slowed down, compared with the first half of the 1990s. The OECD, the Education and Skills Committee and the Financial Secretary are all right when they say that a lot of money has been spent but little has been achieved.

What is the reason for that failure? It is that the extra money has not been accompanied by reform. The Government have stumbled around in the dark, not knowing what to do with the public services. They have been through several phases. When they first arrived in Whitehall after the 1997 election, they immediately abolished the previous Government's public service reforms. Out went GP fundholding, trust hospitals and grant-maintained schools. The Government actually believed their own election propaganda—that simply getting rid of those things would improve public services.

Kali Mountford (Colne Valley) (Lab): On public expenditure reform, when the hon. Gentleman's party was in government why did it not make the successful changes that Labour has made? I refer to planned expenditure in education. In my own area, heads of schools and colleges tell me that being able to plan ahead and have properly planned expenditure has not only allowed them to increase general expenditure on the education of their pupils, but has vastly improved standards and allowed them to make capital investment. That situation has come about thanks to important reform. Why did not his party do that?

Mr. Osborne: I think that I have just had a glimpse of the speech that the hon. Lady is planning to give later. Perhaps she should have listened more carefully to what I was saying; I do not deny that the Government have increased the money going into education, but the point I was trying to make is that the money they have spent has not delivered the increased performance that they told us it would. In fact, when people look at the education system they see precious little evidence that it has delivered improved results, and that is borne out by the OECD and the Education and Skills Committee. That is because, as I was saying, we have been through these phases.

First, the Government got rid of the public service reforms introduced by the Conservative Government. That did not work so they were frustrated, and in the late 1990s they decided to centralise everything and run it from Whitehall. It was like a tractor factory in the Urals; in came targets, task forces, 10-year plans and that kind of stuff. They called it modernisation. Things still did not improve, so the Government now declare that targets are dead and centralisation was a mistake. Decentralisation has become the Government's new buzzword—at least for the Prime Minister and the Chancellor of the Duchy of Lancaster, if not for the Chancellor of the Exchequer.

In have come foundation hospitals, funding flows and earned autonomy for schools, which all—on paper at least—look suspiciously like the trust hospitals, GP fundholding and GM schools that the Government abolished in the first place. So after seven years of new Labour, they are back to square one, except of course that this lot cannot really let go.

The experience of foundation hospitals showed that they are not actually prepared to hand over control to the professionals. The earned autonomy promised to successful schools in the Government's flagship Education Act 2002 has never been given to a single school. In other words, we sat through all the debates on that flagship Act, which was part of Labour's main manifesto at the last general election, yet not one school has achieved the earned autonomy that we had all those debates about.

Mr. Bernard Jenkin (North Essex) (Con): On the question of earned autonomy, does it occur to my hon. Friend, as it does to me, what a falsehood that phrase actually is? The concept of earned autonomy merely corroborates the omniscience of the centre and the sovereignty of the Secretary of State over everything that happens in every school and every hospital.

Mr. Osborne: My hon. Friend is absolutely right. The very concept of earned autonomy is that it is something handed down from on high as a reward rather than being integral to the system. Schools should have autonomy, parents should be able to send their children to the schools they want, and the money should follow each child. That is the way in which an education system should be run.

Of course, the Government's instincts are to interfere and meddle, and the vast bureaucracy that they have created—the 300,000 extra bureaucrats in countless new quangos, agencies, units and so on—have a vested interest in keeping power out of the hands of the users of public services: the patients and the parents. Sir John Stevens, the Metropolitan Police Commissioner, said recently:

"I have never seen so much inspection and monitoring . . . It is getting in the way of our business".

If people want an explanation of why they do not see police officers on the street and why there are now more than 1 million violent crimes a year, they should perhaps listen to the Metropolitan Police Commissioner.

Of course, the failure to reform means a failure to deliver. Public sector productivity has fallen for the past three years of published figures. The European Central Bank recently published a paper that found that if the UK public sector were as productive and efficient as others in the developed world, outputs would be 25 per cent. higher. Instead of reform and delivery, we have had waste on a huge scale. Of the 88,000 people employed to work in the education system in one year, just 14,000 are teachers and teaching assistants. The number of tax inspectors is rising twice as fast as the number of new doctors and nurses. There are more officials in the Department for Environment, Food and Rural Affairs than there are dairy farmers.

We have seen two examples in the newspapers today—two reports from the National Audit Office. The NAO has again qualified the accounts of the Department for Work and Pensions because it says that benefit and fraud mistakes are costing taxpayers £3 billion a year. The report on the NHS IT system for patient choice—a multi-billion pound system that was supposed to make 200,000 bookings last year—shows that it only made 63 bookings last year.

It is not just the big ticket items that tell the story of waste under the Government; sometimes the small examples can be just as illuminating: the £1,000 chairs in the Ministry of Defence and the Cabinet Office taxi bill, which has gone up 1,000 per cent. under the Government. The Secretary of State for Trade and Industry said recently that

"when we talked about delivery, that may have been something of a mistake".

One can see why when one looks at her own backyard. According to recent written answers, the Department of Trade and Industry has in the past few years spent £23 million on office refurbishment, £7.9 million on furniture, £30 million on overseas trips, £10 million on first-class travel and £120,000 on flowers. At least with the four-fifths reduction in the number of DTI civil servants, there will be less need for pot plants.

Rarely in the history of politics have a Government spent so much and achieved so little. That has an economic consequence, and hon. Members do not have to take my word for it.

Mr. Bailey: Will the hon. Gentleman give way?

Mr. Osborne: I am happy to give way, but perhaps the hon. Gentleman will tell me—he is versed in these economic matters—whether he agrees with the International Monetary Fund, the OECD and so on that taxes will go up if Labour wins.

Mr. Bailey: Perhaps the hon. Gentleman will answer my question. I understand that he was at school for a large proportion of this time, but previous Conservative

[Mr. Bailey]

Governments received a largesse of £87 billion from North sea oil and gas tax revenues, slashed public expenditure and raised taxes. What sort of example and what sort of credibility do the Conservatives have in arguing for value for money on that basis?

Mr. Osborne: I was taught at school that Conservative Governments took the sick man of Europe and transformed the country into the most successful economy in the world.

Let me talk about the present, rather than the past. I should like to quote the Prime Minister's chief economic adviser—the man who gave the Prime Minister his economic advice for seven years. Derek Scott says:

"Gordon Brown's economic inheritance was better than that of any previous Chancellor in living memory. But there are limits to the length of time that public spending can increase at a faster rate than the growth in GDP without causing problems. By the time I left Downing Street, Britain was approaching or had perhaps passed that limit. The regulatory burden had been increased, the tax system had become more complicated and the tax burden was rising too."

I agree with the chief economic adviser to the Prime Minister—more cross-party consensus. Britain cannot carry on down the path of spend, waste and tax without storing up huge problems for the economy. That is what almost every independent observer of the British economy thinks, too. I have mentioned them already and I will mention them again. The IMF, the OECD, the ITEM Club, the National Institute of Economic and Social Research, the CBI, the chambers of commerce and the independent Institute for Fiscal Studies all now believe that the Government have created a structural deficit of anywhere between £8 billion and £12 billion.

Mr. David Laws (Yeovil) (LD): I want to find out how far we can press the consensus that the hon. Gentleman talks about. He has just cited the Institute for Fiscal Studies. Does he agree with the following comments, which it made yesterday:

"The proposed Conservative tax cuts would offset only about a seventh of the rise in the burden as a share of national income that the Treasury has pencilled in over the next fives years"?

So given the plans announced on Monday, would the tax burden still not rise, even under his plans?

Mr. Osborne: I seem to remember that the IFS said that under a Labour or Liberal Democrat Chancellor taxes would go up, and under a Conservative Chancellor taxes would go down. That is a fair assessment. Indeed, the Liberal Democrats have a list of strange taxes on pets and all sorts of other things, but their proposal for a 50 per cent. top rate of income tax would give us a higher top rate of tax than France, Italy, Spain or Belgium. Perhaps the hon. Gentleman, who has worked in the City, will explain in his speech how he thinks that Britain could compete with a higher top rate of income tax than those countries, let alone many of the English-speaking economies of the world.

Of course, it is an historic achievement to have a structural deficit after seven years of tax rises. I have to take my hat off to the Chancellor. He now faces a choice, as indeed does the country: higher taxes or spending that the country can afford. Which will it be? This week, we gave our answer. We would spend £12 billion less than the Government by the year 2007–08, and we could use that money to fill the budget deficit and to cut taxes on hard-working families. We would achieve that by making the specific savings identified by David James and his team of independent experts. I heard the Prime Minister earlier casting aspersions on David James. That is rather strange, as the Prime Minister hired him to sort out the mess of the millennium dome.

I stress that the savings that David James and his team have found in the NHS and schools—every penny saved on bureaucracy, waste and unnecessary quangos—will be reinvested in the NHS and schools. We will radically reform those services so that they are driven by the right of parents and patients to choose, rather than by the diktats of Ministers, so people will get real value for money and see real improvements in standards. The same goes for the savings found in transport, the police, defence and international development; they will be re-spent in those areas, to improve the quality of service that people receive.

Kali Mountford: The hon. Gentleman is extremely gracious and generous in giving way again, but is he not aware that the Gershon review is duplicating a lot of what is recommended by James? Has he not yet realised that money cannot be spent twice, so that money cannot be saved twice? What extra saving that is not a myth can he point to?

Mr. Osborne: I do not think that the hon. Lady was listening to me. We accept the Gershon savings—indeed, we will be significantly better at implementing them than the present Government—but we go beyond, with the James savings. In the document that we have produced this week—I am happy to give her a copy if she has not managed to get hold of one—we have listed at least £12 billion of savings additional to those referred to by Gershon.

I know that we will fight about these decisions as we approach the general election. For example, we will get rid of the new deal, because as the NAO and many independent studies have shown, it does not work. It does not deliver value for taxpayers' money.

Mr. Bailey: Will the hon. Gentleman give way?

Mr. Osborne: I have given way twice to the hon. Gentleman, and I do not think that I shall do so a third time.

Only a third of people who go through the new deal find sustained employment, and the figure is even lower for those in long-term unemployment. We propose an alternative called "Work First", which is partly based on the Australian model, although we have also looked at what happens in Wisconsin. Above all, however, we have examined what happens in the 13 employment zones that already exist in this country. We are modelling our proposals on the existing zones because they are considerably more effective at getting people into work than the new deal. We would thus save a substantial amount on the new deal and we argue—indeed, we will prove—that our plan will help people who are unemployed to find work.

The Small Business Service will go. The Prime Minister suddenly became a champion of it half an hour ago, but less than a fifth of small businesses know that the Department of Trade and Industry offers such a service, and fewer than one in 20 uses it. At a cost of £500,000, we do not think that it is giving especially good value for taxpayers' money. Some 168 quangos and public bodies will go.

Mr. Mike Hall (Weaver Vale) (Lab) *rose—*

Mr. Osborne: I shall give way to my constituency neighbour in a second, but first let me ask him whether he can do without the Government office for London, the Commission for Integrated Transport, the Office of Public Services Reform and the Prime Minister's delivery unit.

Mr. Hall: Do the proposals to scrap quangos involve English Partnerships? If so, what will happen to the £30 million that it is giving to stabilise the town centre in Northwich? Is that value for money?

Mr. Osborne: I am pretty sure that English Partnerships is not on the list of 168. *[Interruption.]* It is not on the list, then—I give myself no let-out clause.

Mr. Mark Francois (Rayleigh) (Con): It is not there.

Mr. Osborne: My hon. Friend helpfully reminds me that it is not on the list. We are only getting rid of things that do not perform an especially useful function. We are merging bodies that can be merged and getting rid of bodies that provide no value for taxpayers' money. It is a good list of 168 bodies, and I am sure that the hon. Member for Weaver Vale (Mr. Hall) would agree that the whole lot could go.

We will also get rid of 235 bureaucratic posts, although I accept that some of the Labour party's funders will find that controversial. [HON. MEMBERS: "Two hundred and thirty-five?"] No, 235,000.

Chris Bryant (Rhondda) (Lab): You said 235.

Mr. Osborne: I am happy to be corrected by the hon. Gentleman. The correct figure is 235,000. No doubt the public service unions that back the Labour party's election campaign will kick up a big fuss about that, but we believe that the posts do not deliver real value for money. However, unlike the Government's proposals, which involve compulsory redundancies, we will set aside almost £6 billion to pay for generous voluntary redundancy programmes for civil servants in posts that will go.

Regional assemblies and all the apparatus that goes with them will also go. I do not know whether Treasury Ministers noticed that there was a recent referendum in the north-east of England. The people of this country do not want regional assemblies or regional bureaucracy, so it should go.

We have identified total savings of £12 billion in non-priority areas. The savings will not be made on paper-clips, or through the intangible efficiencies about which the Chancellor talks, but through a reduction in Government activity in areas in which the taxpayer is not getting value for money. The savings can and will be achieved by a conscious act of political will. Of the £12 billion savings, £8 billion will be set aside to fill the structural deficit and £4 billion will be used to give back to taxpayers some of their own money. I know that Labour Members will want to know which taxes on hard-working families we will cut. Let me assure them, especially those defending marginal seats, that those taxes will appear on billboards near them soon.

One of the most amusing sights of the week was the Labour party's attempt to rubbish the James report. The Secretary of State for Transport, acting in his new role as the Government's chief spokesman on spending, produced with a great flourish 10 things that did not stack up in the James report. He said that we could not possibly merge the Food Standards Agency and the Meat Hygiene Service because they were merged already. We got on the phone to the Food Standards Agency and Meat Hygiene Service and asked the names of their chief executives. One said that he was called Chris Lawson and the other said he was called Dr. John Bell. That sounds like two separate bodies to me, although I know that the Government get confused about such things, because they too have two chief executives.

The Transport Secretary said that the savings that we aimed to make in the Rural Payments Agency were incredible because they exceeded its entire administrative budget. I suggest to the Chief Secretary to the Treasury that the problem with letting the Transport Secretary do this sort of thing is that he is not up on the detail. He had obviously not read the annual report of the Department for Environment, Food and Rural Affairs, because it says clearly that the agency is spending £188 million on administration, which is a huge amount given what it does. The cost is considerably greater than that which would be expected if the agency was outsourced, and much greater than the £112 million of savings that we set out in our document. I think that the Chief Secretary to the Treasury gave a little nod there, because he agrees that the Transport Secretary is not very good at that job.

Our spending plans are credible. The Institute for Fiscal Studies says that they add up. They will mean that the country will spend what it can afford and taxpayers will get value for money. We have an answer to the black hole in the public finances. We can make credible savings and protect vital public services. We can fill the deficit and reduce taxes. What is the Government's answer? Which of the options set out by the OECD will they choose: "a slowdown in spending", or "a rise in taxation"? Not the slowdown in spending.

Chris Bryant: Will the hon. Gentleman give way?

Mr. Osborne: I am happy to give way to the hon. Gentleman, because he can let me know whether he would choose to increase taxes or reduce spending.

Chris Bryant: For the avoidance of doubt, I shall answer a question that the hon. Gentleman asked everyone else, but chose not to ask me. I disagree with the Financial Secretary to the Treasury, if he said the words that the hon. Gentleman cited earlier.

The hon. Gentleman inserted the little phrase "protect vital public services" in his speech. As far as I am aware, those services include only the NHS and

[Chris Bryant]

schools—not all education. Does that mean that the youth service and special educational needs will be protected?

Mr. Osborne: The hon. Gentleman needs to read the document, which spells out the position on schools, the NHS, international development, the police, pensions, transport and children's social services. The difference between the policies on which the hon. Gentleman and I will campaign during the election is that our plans are published and say how we will fill the black hole. The Government currently give no indication that they will do that, so we will use the debate to try to tease out some answers from the Chief Secretary to the Treasury.

Mr. Jenkin: It is extraordinary for a Labour Member to complain about special educational needs. The Labour Government are forcing the closure of special schools throughout the country, but we would keep them open.

Mr. Osborne: My hon. Friend makes a good point. The education budget—not just the schools budget—as set out in our plans will increase to 2007–08.

It is obvious from the spending review and the pre-Budget report that the Chancellor has no intention of reducing the growth in spending to a sustainable and affordable level, so he will have to increase taxes. Almost every independent commentator is expecting that, and it is what the Chancellor is secretly planning. However, I would be amazed if he did that in the Budget that he will present in a few weeks—just before the coming election. We remember that the Chancellor's only Budget that did not raise taxes was that presented—surprise, surprise—just before the last general election. After the election, he clobbered everyone with a hike in national insurance. With Labour, of course, the political cycle is more important than the economic cycle.

We can be sure that taxes will go up in the first Budget after the election if Labour wins. The £8 billion tax question for the Government, which we put to the Chief Secretary today is: which tax will it be? Will it be the 2p on the basic rate of income tax, VAT on food, capital gains tax on main homes, or that old favourite of the Chancellor, a rise in national insurance by removing the upper earnings limit and taking 10 per cent. on incomes over £33,000? According to the Treasury's ready reckoner and the figures that it has produced, all those tax measures would raise about £8 billion. That is £8 billion from hard-pressed families, who, as the Financial Secretary says, have already paid a lot of tax and seen very little in return. I am sorry that the hon. Member for Rhondda (Chris Bryant) broke the cross-party consensus that we had established on that point.

Chris Bryant: Let me tell the hon. Gentleman why I have broken the consensus. In my constituency, I have seen more police officers and more community support officers, I have seen crime being cut, I have seen the schools that used to have leaking roofs and windows being repaired, and I have seen more teachers and more doctors. That is the difference that the money is making.

Mr. Osborne: I am sorry that the hon. Gentleman does not agree with his Treasury Front-Bench colleagues. If he wants to get on in the Labour party, he needs to agree more with the Government.

All the tax measures that I set out would raise about £8 billion. Does the Chief Secretary rule out 2p on the basic rate of income tax? VAT on food—yes or no? We know that the Treasury has considered capital gains tax on people's homes. Does he rule that out? What about getting rid of the upper earnings limit on national insurance? That would be a 10 per cent. tax on earnings over £33,000. I think that the most likely candidate. Perhaps the Chief Secretary will give us a yes or no. Or are there other stealth taxes that will go up instead: petrol duty, stamp duty, or the stealthy moves with income tax thresholds that we are used to?

The choice at this election could not be clearer: higher taxes and more waste under Labour, or lower taxes and value for money under the Conservatives. The question that the Chief Secretary must now answer is: which tax will go up?

1.12 pm

The Chief Secretary to the Treasury (Mr. Paul Boateng): I beg to move, to leave out from "House" to the end of the Question, and to add instead thereof:

"believes that economic stability is the foundation for continued investment in public services; welcomes therefore the lowest inflation since the 1960s, lowest interest rates for 40 years and the longest period of economic growth for 200 years; further welcomes this Government's record investment in public services; believes that it is important to ensure taxpayer value for money and therefore welcomes the fact that the Government is making efficiency savings to release resources into frontline services; further welcomes the fact that Sir Peter Gershon has identified over £20 billion efficiency savings across the public sector and notes that he said that to go further than the efficiencies he identified would put at risk the delivery of frontline public services; and further believes that any proposal to make cuts in public spending would not only damage frontline public services but the economy as a whole."

Britain's economic stability has been hard won. As the Prime Minister said only this afternoon, it follows decades of boom and bust, with the price for economic failure being paid by hard-working families in mass unemployment, sky-high mortgage rates and record home repossessions. Nothing must threaten the strength and stability of Britain's economy. Britain is working. We do not intend to allow the Tories to wreck it, and if this motion were to be agreed, you could bet your bottom dollar that they would.

Mr. Francis Maude (Horsham) (Con) *rose—*

Mr. Boateng: I shall make a few opening remarks, and then I shall be only too happy to give way to the right hon. Gentleman.

I want to say a few words to the hon. Member for Tatton (Mr. Osborne), the shadow Chief Secretary. I am a great admirer of the hon. Gentleman. In the serried ranks of the Opposition, he is a precocious talent among all those grey locks, and I enjoy his speeches.

[Interruption.] He is certainly younger than me, and he may be better looking. [HON. MEMBERS: "No!"] Yes. I know, it is hard to believe. I have news for the shadow Chief Secretary: it is no defence for economic failure in the recent past to claim that one was in short trousers. It is not good enough to say that one was at school when Britain had double-digit inflation and, as my hon. Friends have said, when Britain had 3 million unemployed not once, but twice. It is not good enough to say that one was at school when we saw unemployment double and the numbers on incapacity benefit treble. That is the record of the hon. Gentleman's party in government, and we do not intend to allow it ever to do that again.

Mr. Maude: On that point, does the Chief Secretary agree with Derek Scott that the Labour Government inherited the best economic legacy that any Chancellor has ever had?

Mr. Boateng: No, I do not. I say to the right hon. Gentleman, who must, I fear, take some responsibility for this, that when we took office his Government had been paying more to service their debts than they were spending on schools. That is something for which the Conservatives ought to apologise.

Mr. Paul Goodman (Wycombe) (Con) *rose—*

Mr. Boateng: I give way to the hon. Gentleman, who, perhaps, is going to apologise.

Mr. Goodman: Speaking of debt, my hon. Friend the Member for Tatton (Mr. Osborne) offered the Chief Secretary a menu of prospective Labour tax rises for him to rule out. Will he now rule out all of them? Indeed, will he rule out any of them?

Mr. Boateng: The hon. Gentleman cannot seriously expect me to do that. It would be absurd for a Government to address the issue of tax in a speech by the Chief Secretary in an Opposition half-day debate. The hon. Gentleman is an informed observer of these matters, and he knows well that they are dealt with in a Budget speech or a manifesto. That is how they have always been dealt with, and that, I suspect, is how things will be in the future. Let us have a serious, grown-up debate about these issues.

Let us look in a little more detail at the James report. We waited a long time for it. First, we heard that it was to be published last August. Then we heard that it might be published last December. Last Monday, we had an announcement.

Several hon. Members *rose—*

Mr. Boateng: I will not give way at the moment.

What we have not yet had, and I ask for some reassurance on this point now, is sight of the full James report. *[Interruption.]* I am not talking about this less than salubrious ring-binder. It is not clear who made this folder, but it seems to consist of a number of slides. It seems to be a PowerPoint presentation. All we are asking for is something that goes beyond a PowerPoint presentation and resembles, in its weight, strength of analysis, depth and accuracy, the "Independent Review of Public Sector Efficiency" by Sir Peter Gershon, but so far we have not had that. I ask my Conservative opposite number when he will publish the James report—not this PowerPoint presentation but an actual report, with the detailed workings and analysis that underpin it.

Mr. David Cameron (Witney) (Con) *rose—*

Mr. Boateng: I shall give way to the hon. Member for Witney (Mr. Cameron), who, I understand, speaks with some authority in the Conservative party. Perhaps he can tell us when the report will actually be published.

Mr. Cameron: The James report has been published in full. Perhaps the Chief Secretary will answer this question: will he confirm that, according to the Government's Red Book, the tax burden in 2008–09 will be the highest for 20 years? Is that true or not?

Mr. Boateng: Once again—[HON. MEMBERS: "Yes or no?"] Hold on. Once again, I reiterate my request for the publication of the James report; then, we can have a serious discussion. The Opposition cannot pretend that a PowerPoint presentation equals a report. Will we see a report? Will we see its workings and its analysis?

Mr. Borrow: Let me take my right hon. Friend back 20 years, when taxation under the then Conservative Government was relatively high. Does he agree that that high taxation coincided with high unemployment? In contrast to that Government, the present Government can afford to spend money on public services, because there are so many people in work and so few claiming benefit.

Mr. Boateng: My hon. Friend is absolutely right. The new deal and Jobcentre Plus have proved to be essential in reducing unemployment and keeping it low. The new deal has helped 1 million people into jobs and every day Jobcentre Plus carries out 36,000 work-focused interviews and helps 4,800 people into jobs. No right hon. or hon. Member has not at some time appreciated the role in their constituency of the new deal and Jobcentre Plus. For Conservatives to produce a PowerPoint presentation that offers a 40 per cent. cut in the budget of Jobcentre Plus and to scrap the new deal altogether shows theirs to be a party that would imperil our hard-won economic stability and our success in creating jobs.

Several hon. Members *rose—*

Mr. Boateng: I intend to advance my argument a little further before giving way again; then, I shall give way to the right hon. Member for Charnwood (Mr. Dorrell), a former Secretary of State for Health, followed by my hon. Friend the Member for West Bromwich, West (Mr. Bailey).

The country would pay a heavy price if the Conservatives put the James report into effect. That price would be paid by hard-working, decent families throughout the land. We make no apology for comparing their record in government with ours. When they last held office, our national debt doubled. Was that

[Mr. Boateng]

value for money? Borrowing hit £50 billion. Was that value for money? Interest rates soared as high as 15 per cent. and millions of families struggled under negative equity. Unemployment was shockingly high, reaching 3 million not once, but twice. All that is the Conservatives' record in government, and whether or not the hon. Member for Tatton was at school during that period, we do intend to allow him or anyone else to forget it.

Mr. Stephen Dorrell (Charnwood) (Con): Will the Chief Secretary now address himself to the question asked by my hon. Friend the Member for Witney (Mr. Cameron)? Is it not correct to say that the Red Book commits the Government to tax plans that will ensure that by 2008–09 the tax take will be the highest proportion of national income for 20 years? Is it not therefore unavoidably true that the Government are committed to raising tax?

Mr. Boateng: I shall not go down that road—*[Interruption.]*—and let me tell hon. Members why. The right hon. Gentleman has been a Treasury Minister and he knows precisely the status of the Red Book. He knows that no Chief Secretary or Financial Secretary, which I recollect he was when we first exchanged views on economic matters, would give undertakings or make comments on tax of the sort that he has sought from me.

Mr. Dorrell: Will the Chief Secretary give way?

Mr. Maude: Will the right hon. Gentleman give way?

Mr. Boateng: No, I shall not, because I have given way to both right hon. Gentlemen, for whom I have the utmost respect. Let me instead draw the House's attention to figures from the OECD—an organisation for which I too have some respect. They are figures to which the hon. Member for Tatton failed to refer in the course of his speech. They demonstrate that in 2002 total UK tax revenue was 35.8 per cent. of GDP, compared with an European Union average of 36.9 per cent. In 11 EU countries, including France, Germany and Italy, total tax revenue as a percentage of GDP was higher than in the UK. For Conservative Members to portray the UK as an over-taxed, high-tax economy flies in the face of the truth.

Mr. Osborne: Will the right hon. Gentleman give way?

Mr. Boateng: I shall finish my point before the hon. Gentleman gets up on his feet or, indeed, on a high horse—he has that glint in his eye that suggests that he will be awfully self-righteous. However, he misquoted my hon. Friend the Financial Secretary, who will make that clear himself later, so let me direct the hon. Gentleman's attention to something that certainly is not a misquote—the right hon. Gentleman in question has never denied it—from *The Sunday Mirror*, no less, of 31 October 2004. It reads:

"Businesses are reluctant to locate to places where tax rates are too high, regulatory controls are too intrusive and political instability threatens business stability. Places like the UK, the USA, Hong Kong and Singapore attract because their tax rates for business are low."

That was said by the right hon. Member for Wokingham (Mr. Redwood), who, I believe, sits on the Opposition Front Bench and speaks on regulatory matters. That is the clearest possible endorsement from the right hon. Gentleman of the present Government and their economic policies. We will never allow that economic stability or this country's political stability to be threatened.

Now, as I promised, I give way to my hon. Friend the Member for West Bromwich, West.

Mr. Bailey: This is a question that I would have preferred to ask the hon. Member for Tatton (Mr. Osborne), but he declined to take it; perhaps my right hon. Friend can shed some light on it. At different times I have heard Opposition spokespersons say that they would use the money from scrapping the new deal, first, to fund their huge pension commitment and, secondly, to cut taxes. Do the Treasury calculations indicate which of those, if either, it could be used for?

Mr. Boateng: No briefing that I have from Treasury officials throws any light on Opposition thinking, nor would I ask Treasury officials to divine what the Opposition propose. However, I have reflected on the lack of credibility of the Opposition proposal to spend more while reducing what they call a structural deficit, and simultaneously promising tax cuts. That is incredible, as a number of informed commentators have pointed out.

Mr. Edward Leigh (Gainsborough) (Con): Both parties claim that they can do that by attacking waste. The Chief Secretary asked for some heavyweight analysis. His hon. Friend the Financial Secretary is a member of the Public Accounts Committee. Will he read the scores of reports published during this Parliament that outlined how we can attack waste in the public service, and check his Treasury minutes to see whether every recommendation that we made to deal with waste has been implemented? In the real world we could surely work together to save substantial amounts of public money.

Mr. Boateng: Having sat, as my hon. Friend sits, as Financial Secretary on the hon. Gentleman's Committee, may I take the opportunity to pay tribute to the work of the Public Accounts Committee? We in the Treasury and all colleagues across Government take its deliberations seriously, even when not every one of its recommendations is adopted. The Committee does an important job and it would be unwise of any Government to ignore its findings.

Chris Bryant: Does my right hon. Friend agree that one form of waste that we should tackle is not financial, but the personal wasted opportunities represented by the many millions of people who are on incapacity benefit and would like to get into work if they were given the chance? Does he agree that the pathways to work programme that we are advancing, despite being an expensive element of the Budget, is well worth while and is a proper investment for the future?

Mr. Boateng: Not entirely surprisingly, I wholeheartedly agree with my hon. Friend. The comprehensive spending review and successive Budgets and pre-Budget reports have recognised the value of the programme.

Delivering value for the taxpayer depends first and foremost on the economic health and stability of the nation. Our record on that is strong, and we intend to do nothing that would imperil it. That is why I make the comparison that I do with the record of the Conservatives when they had stewardship of the economy.

Mr. Dorrell *rose—*

Mr. Boateng: I will not give way at the moment.

Our Government's policies are delivering the longest sustained economic growth for 200 years. That is the product not of chance or good fortune, but of the tough decisions for the long term that we have taken since we took office in 1997. The first of those decisions, which the Opposition never had the political courage to implement, was the independence of the Bank of England and our fiscal rules. The Conservatives opposed both. I understand that they have recanted on the former and now support the independence of the Bank of England, while having the bare-faced cheek to lecture us about decisions taken in the phase of the political, as opposed to the economic, cycle, as my hon. Friend the Member for Warrington, South (Helen Southworth) pointed out sotto voce when the hon. Member for Tatton made that bizarre assertion.

The hon. Gentleman will no doubt tell us that he has always supported the independence of the Bank of England. I fancy that examination of his record shows no such thing. Will he stick to our fiscal rules? I suspect that another general election defeat will be necessary to bring the Opposition round to that conversion.

Mr. Osborne *rose—*

Mr. Boateng: I give way, as long as the hon. Gentleman promises, cub's honour, to answer my question, rather than going off on some frolic of his own, which I fear he is about to do, from the look in his eye.

Mr. Osborne: We have made it clear—I am surprised the Chief Secretary did not notice—that we adopt the Government's fiscal rules, but we propose a fiscal projections committee that would be independent of the Treasury. That is supported by the Governor of the Bank of England and the National Audit Office, and I suspect it has some sympathy among Treasury civil servants. I recommend it to the right hon. Gentleman, and I recommended it to the Financial Secretary when we debated it in Committee.

Mr. Boateng: I am grateful to the hon. Gentleman. He throws light on at least one aspect of Conservative party policy and I welcome his conversion to our fiscal rules. That makes it more difficult for him to promise increased public spending while promising to address what he describes as the structural deficit and to make tax cuts. We will no doubt explore that further in the course of the debate.

On the basis of that solid platform of macro-economic stability we are able to deliver historic levels of investment in public services. It has enabled us to focus new resources on priority areas that matter most to honest hard-working families—hospitals and schools—and across our public services. On health, spending will increase to £92 billion in 2007–08, compared with £33 billion in the last year of the Conservative Government. That additional spending has already delivered 77,000 more nurses and 19,000 more doctors.

On education, with which the hon. Gentleman dealt at some length, albeit with too little accuracy, spending will be £12 billion higher in 2007–08 than in 2004–05. We have already delivered 28,500 more teachers since 1997. I shall address in detail some of the assertions made by the hon. Gentleman when he suggested that that was not money well spent and questioned the productivity of our education policies.

Mr. Dorrell *rose—*

Mr. Boateng: Before I come to health—where the right hon. Gentleman, the former Secretary of State for Health, may be able to throw some light on our deliberations—let us consider what has been achieved in education. Between 1997 and 2004, the percentage of 11-year-olds achieving expected standards in literacy and numeracy rose from 63 per cent. to 78 per cent. in English and from 62 per cent. to 74 per cent. in maths. That fell slightly short of what were stretching and demanding targets of 85 per cent. and 75 per cent. respectively, but it is an improvement on the time when the Conservatives had the stewardship of the education system—a dramatic improvement, as one of my hon. Friends says. The proportion of 16-year-olds achieving five or more GCSEs rose from 45.1 per cent. in 1997 to 53.7 per cent. in the last year for which we have figures. Conservative Members should not decry that; we should be thanking teachers, parents, local education authorities and the Government for that. It is the partnership between all of those that has resulted in real improvement in the life chances and opportunities available to our young people. All of that would be put at risk were the Conservative party ever to have stewardship of the economy.

Mr. Dorrell: I am grateful to the Chief Secretary for giving way again. I should like to take him back to the argument that we were having in answer to the question posed by my hon. Friend the Member for Witney (Mr. Cameron). The right hon. Gentleman gave an interesting reply when I asked him to confirm that the Government's own Red Book set out plans for an increase in the percentage of national income accounted for in tax. He said that it did not matter, because our percentage taken by tax is below the levels of other European countries. Is it therefore the Government's policy to raise the tax burden until it is in line with that of other European countries? Would it not be a more intelligent tax policy for the Government to recognise that a relatively low tax burden, compared with that of other European countries, is an important source

[Mr. Dorrell]

of competitive advantage for the British economy, the safeguarding of which should be a high priority for the Government?

Mr. Boateng: As the right hon. Gentleman knows, we have consistently argued within the European Council for tax competition rather than tax harmonisation. That is now and has always been our policy. But I am interested in his foray into tax policy, because if we are talking about tax, and the Conservative party seems anxious to do so, reference should be made, as it always is, to the dividend tax credit on pension funds. I can remember when the right hon. Gentleman was Financial Secretary, and I think that it was then, when the Tories cut rates of dividend tax credit on pension funds and advance corporation tax in 1993 from 25 per cent. to 20 per cent., that the right hon. Gentleman, to no less a journal than *The Guardian*, said:

"The change was made to give a cash boost to British industry in the short term, and to raise Government revenue in the medium term. Clearly to do that, the money has to come from somewhere."

That is why I urge the right hon. Gentleman to reflect a little on precisely what is proposed by his own Front-Bench spokesmen when they lay out their tax options, because I think that he will find, applying the rigour and scrutiny that he no doubt acquired when he was Financial Secretary, that the sums of his right hon. and hon. Friends simply do not add up.

Geraint Davies (Croydon, Central) (Lab): Does my right hon. Friend accept that what is important with regard to the point made by the hon. Member for Witney (Mr. Cameron) is not the share of GDP that is taxed, but the share that is taxed as borrowing, in the light of the fact that borrowing is deferred tax that has to be paid? Will he accept that the previous Conservative Government, rather than increasing tax 66 times, massively increased the amount of borrowing and therefore the future liabilities of future generations, while this Government have massively reduced borrowing and increased investment by putting into jobs 2 million people who are paying tax rather than drawing dole; and the debt payments are lower because interest rates are lower as well?

Mr. Boateng: My hon. Friend makes an important point. The Leader of the Opposition, I think addressing last year's Conservative party conference, said:

"In 1992 we promised to cut taxes year on year. But we put them up."

That was a moment of candour from the right hon. and learned Gentleman, and that was breaking out all over the place, because at the same party conference, the shadow Chancellor said:

"The sad truth is when we were in office, we made promises on tax we couldn't keep."

The truth of the matter is that the Conservative party's sums do not add up, yet they continue to raise the promise of tax cuts. We know what value to put on those promises. This was the party, after all, that invented the poll tax, and if ever there was waste and bureaucracy it was in that tax, and this was the party that put VAT on fuel.

Rob Marris (Wolverhampton, South-West) (Lab) *rose—*

Mr. Boateng: I have allowed a number of interventions on both sides and I owe it to other hon. Members who are keen to speak to continue to make my speech.

We take the issue of efficiency seriously. That is why we have set out clear plans based on detailed and rigorous evidence that will deliver at least £20 billion worth of efficiency gains by 2007–08—money that will be reinvested in the front line to support essential public services, such as schools, hospitals and the police. That is value for money—better outcomes; investment in front-line services; savings at the centre, including a gross reduction of more than 80,000 civil service posts and a relocation of 20,000 public sector posts away from London and the south-east. We are making progress in delivering those efficiency gains to free up resources to recycle them into front-line priorities. Across government, £2 billion has been saved through better procurement, deals and use of e-auctions. The Department of Health has negotiated savings on medicines that will free up some £1 billion a year for the NHS, again for use on the front line from 2005–06. The Department for Transport will deliver savings of around £140 million in 2004–05 as result of improved Highways Agency contracting and other measures. Crucially, the Ministry of Defence will deliver over £400 million in savings through improved defence logistics.

What we have not heard—it may be that we will get a clearer take on this when the James report is published, not in the form of a slide presentation in a battered folder, but—*[Interruption.]* I hear protests that it is brand new. Well, some savings should be made there. The hon. Member for Tatton should recycle his own folders rather than lecturing us about chairs.

Mr. Andrew Turner (Isle of Wight) (Con): Will the right hon. Gentleman give way?

Mr. Boateng: Not at the moment. I just want to finish the point about waste and the Conservative party's policy on it, because the hon. Member for Tatton uttered a calumny against the Ministry of Defence, suggesting that money had been spent on chairs that cost £1,000. That is typical of the Conservative party and its approach to waste. If the hon. Member for Tatton can show me a chair that cost the Ministry of Defence £1,000—

Mr. George Osborne: You will attempt to eat it.

Mr. Boateng: I will do more than attempt to eat it. A number of Conservative Front Benchers have been obliged to face up to the fact that they may have to eat their hats or humble pie—they are more likely to eat hats than they are to eat humble pie. If the hon. Gentleman can identify the chair in the real world, rather than in the fevered imagination of those in Conservative party central office, on the day many years

hence—20 or 30 years' time—when he eventually achieves ministerial office, I will buy him a chair for that office. *[Interruption.]* That is the extent of my offer. *[Interruption.]* Give, give, give—that is what I am noted for. There is no such chair; it does not exist.

I shall go into detail about the chair, because Conservative Members keep raising the matter. Interestingly, a number of public sector organisations use the Herman Miller aeron chair. The standard fee paid by the public sector for that chair is apparently £320. There is no such thing as a £1,000 chair in the MOD. If we are to have a serious debate about waste, Conservative Members could at least do us the service of debating serious matters rather than debating a £1,000 chair. In a moment of candour, the hon. Member for Tatton, who is full of candour, would admit that there is no such thing as a £1,000 chair.

I shall give way to the hon. Member for Isle of Wight (Mr. Turner), who will, I hope, make a serious point about waste.

Mr. Andrew Turner: The Chief Secretary may be surprised, but the figures that he presented earlier on the improvement in GCSE results, which are quoted in the Select Committee report, were achieved at the expense of a 31.6 per cent. increase in public expenditure. Over an equivalent five-year period from 1990 to 1995, a greater improvement in results was achieved with an 11.4 per cent. increase in Government expenditure. I know that the Gershon report proposes reductions of £4.2 billion in Government expenditure on education, of which only £1.2 billion will be found in the Department for Education and Skills. Will the remainder of that money come from the front line, including schools and universities?

Mr. Boateng: That is a serious and interesting point. How can one find adequate measures of productivity in a field such as education? The Atkinson review was conducted to help us in that matter. The hon. Gentleman takes an interest in such matters and knows that it is absurd to suggest that more teachers somehow reduce the productivity of the education system. I am sure that he agrees that that does not make sense. We must work out how to measure productivity in education more accurately.

I am sure that the hon. Gentleman also agrees that local education authorities could undoubtedly make savings through better purchasing and better logistics. Education authorities and schools can make such savings, and we must have a serious debate about how such savings may be identified. I am glad that the hon. Gentleman welcomes Sir Peter Gershon's approach.

That is a more serious point than the assertion by the hon. Member for Tatton that savings that might be obtained by abolishing regional chambers. To suggest that one can scrap regional planning for jobs, housing and transport without paying a price is disingenuous, and it is not a serious point. However, he does not have to take my word for it, which he can dismiss as partisan by suggesting, "He would say that, wouldn't he?" This morning, I attended the central local partnership group, and he should talk to some of his Conservative colleagues in local government.

The hon. Member for Tatton dismissed regional assemblies, which is surprising given the good work that they do, but he does not have to take my word for it. He drew the attention of the Treasury team to the vote in the north-east, of which we are well aware, and I shall draw his attention to the words of Councillor Sue Sida-Lockett, who is clearly well known—and much loved, I am sure—in Conservative circles:

> "Despite the north-east vote, there will still be a requirement for effective regional planning functions, provision of democratic mandate for the regions and effective scrutiny of other regional bodies—a role in which the assembly and other voluntary chambers have shown themselves to be extremely competent."

That is an endorsement from no less a person than Councillor Sue Sida-Lockett, who, I fear, is about to be rubbished or undermined in some way by the hon. Member for Rayleigh (Mr. Francois)—I hope that he does neither of those two things.

Mr. Francois: I will do neither of those two things, actually. Is the Chief Secretary aware that the East of England regional assembly, which that lady chairs, produced a regional planning plan in November 2004 to build 428,000 houses in the east of England? One month later, the same regional assembly effectively abrogated its own plan because of the lack of transport infrastructure provided by the Government. If that is successful regional planning, do we really need it?

Mr. Boateng: The hon. Gentleman must take up that point with Councillor Sida-Lockett, and I am sure that he is in a position to do so.

We have not heard a serious response from the Conservative party on the implications for housing if the £1 billion of cuts recommended by the James report were implemented. The hon. Member for Tatton knows that such cuts would mean the scrapping of the sustainable communities plan and that many thousands of first-time buyers would be deprived of the opportunity of owning their own homes. Our efficiency savings at the centre are recycled to front-line services, as opposed to the reckless cuts in public services, of which I have given a number of examples this afternoon, proposed by the Conservative party.

It would be disastrous if the Conservative party were to have its way; our economy would return to boom and bust because the sums do not add up and our infrastructure would be neglected across the board, including areas such as transport, skills and health. When the Conservative party last had stewardship of the economy, it failed to invest in those areas. The contrast is between investment and cuts. We maintain stability and ensure that we keep to our fiscal rules, and stability means that we can invest in the skills of all our people. We are building a platform from which there can be record levels of growth, and maintaining the lowest interest rates for 40 years and the longest period of economic growth for 200 years. It is that combination of low inflation, low unemployment and rising living standards that this party and this Government are determined to uphold.

Rob Marris: Does my right hon. Friend agree that one significant cut in waste by this Government is that of the waste of many people's lives when they are unemployed? The proportion of gross domestic product that is spent on unemployment benefits and interest on the national debt has been cut from the 1997 figure of 4.5 per cent. to the current 2.6 per cent. That represents a considerable

[Rob Marris]

increase in efficiency. The latest Organisation for Economic Co-operation and Development figures, which were not quoted by the hon. Member for Tatton for obvious reasons, show that in the United Kingdom we have the highest gross national income per capita in the European Union, apart from Luxembourg.

Mr. Boateng: My hon. Friend is right to draw the House's attention to those facts. Labour Members will not take any lessons about waste from the party that doubled unemployment, which hit 3 million not once but twice. There is no greater waste, not only in terms of borrowing to fund benefits, which happened under the last Conservative Government, but of the wasted potential and lives that unemployment represents. That is of great concern to us, but it has never been so to the Conservatives. That is apparent from their cavalier approach to the budget of the Department of Trade and Industry and from what the hon. Member for Tatton said about the Small Business Service, which will be noted by the Federation of Small Businesses as it has been noted by the CBI. That is the same cavalier attitude that led to 1,000 businesses going bust every week between 1992 and 1996.

We must not forget, and we do not intend to allow the people of this country to forget, the true waste that characterised the Conservatives when they had stewardship of the economy. Our record speaks for itself—economic stability, strong support for the front line, efficient public services, and true value for money. That contrasts well with the flaky facts and empty promises of the Conservatives. For that reason, I urge my right hon. and hon. Friends to go into the Lobby with us tonight to vote against the motion and for my right hon. Friend's amendment.

2.3 pm

Mr. David Laws (Yeovil) (LD): As ever, I enjoyed the Chief Secretary's speech, although it could perhaps have done with a few judicious cuts of its own. I hope that that chair in the Ministry of Defence is never found, because if it is, he will owe the hon. Member for Tatton (Mr. Osborne) more than a pint.

I welcome the fact that the Conservatives have given us not only an opportunity to debate the Government's strategy on public services and delivering value for money, but an early opportunity to discuss some of the material released in the James report earlier this week.

The Chief Secretary is usually a fair, calm and dispassionate man, as I am sure that he himself would acknowledge, and he was a little unfair to criticise the Conservatives on the extent of the information that they have published so far. I remind him of the caution that his own Treasury team and the Chancellor of the Exchequer showed before 1997, when nowhere near as much information was provided. Indeed, the right hon. and learned Member for Rushcliffe (Mr. Clarke), who does not always support his Front Benchers on all matters, is quoted today as saying that

"the Conservatives unveiled the most detailed proposals for tax and spending ever produced by an opposition party."

Certainly, they are considerably more detailed than those set out by the Conservatives before they got into power in 1979 or the Labour party before it got into power in 1997. There seems to be an inverse relationship between the amount of information that parties publish when they are in opposition and their proximity to power. If my theory is right, and if the comment by the right hon. and learned Member for Rushcliffe is accurate, the Conservatives may be very far away from getting back into power—perhaps as far away as at any time in their recent history.

Mr. Borrow: The hon. Gentleman suggests that the amount of detail in the Conservatives' proposals reveals their distance from power. Does he think that the same applies to his own party, whose proposals are truly incredible?

Mr. Laws: I think that we are getting closer to power and the Conservatives are getting further away from it, so the relative movement is extremely favourable.

I am sure, Mr. Deputy Speaker, that you want me to turn to the motion and its assessment of the problems that the country faces and possible solutions. It refers to

"the path of more waste and higher taxes".

Every party, including mine, has had its own review of public expenditure. It is important that we have this debate and that all parties engage in it, because it is inconceivable that an organisation with a budget the size of the Government's, with £550 billion of public expenditure, will not have various areas where savings can be made. However, it is pity that neither the motion nor the speech by the hon. Member for Tatton made more acknowledgement of the need for an increase in public expenditure not after 1997, but after 1999 when the Conservative spending plans came to an end. What is missing in all the discussion of waste and higher taxes is any acknowledgement of the important role of public expenditure in improving our infrastructure and securing improvements in public services, where there were major inherited problems following the 18 years of Conservative Government.

I understand that today the Conservatives signed up to the Government's commitments in respect of overseas development assistance. That is very welcome, and it reminds us that public expenditure is not simply a matter of waste and taxation but of achieving very important objectives. However, I remind the hon. Member for Tatton that when the Conservatives were in power, as opposed to matching commitments in opposition, real expenditure on overseas development assistance to Africa fell by about one third between 1992–93 and the end of that Parliament. I hope that the Conservatives have reviewed their approach to issues such as public sector investment and overseas development expenditure, but that is not evident in the motion or from the remarks of the hon. Member for Tatton.

I want to turn to issues relating to value for money and explore them in the context of the James report, which is extremely helpful and detailed. We should all be concerned about securing value for money. It is clear that the public's appetite for additional increases in taxation is limited, as people want to see delivery in exchange for the additional taxes that they have paid. We have many concerns about the Government's performance in that respect, not least because of their excessive control over public expenditure and

centralised control of targets, which is often extremely wasteful. We should prefer a considerably greater devolution of power. We share some of the concerns expressed by the hon. Member for Tatton about productivity in the public sector and the fact that it is falling behind that of other countries in relation to the private and public sectors, although it is important to bear it in mind that many of the additional investments in public expenditure since 1999 have been in areas where one would not expect any evident improvement in productivity.

I shall give an example from my constituency, where the ceiling of a hospital fell down six months ago. The hospital was built before the second world war, which predates the national health service, and sticking plaster was—almost literally—applied over the past couple of decades to keep the building together. That solution failed to the extent that the hospital has almost fallen down, but it will be rebuilt. That will not necessarily appear in the productivity data on public expenditure but it is nevertheless a worthwhile investment.

The hon. Member for Tatton put taxation centre stage in his speech. The motion states that there have been 66 tax rises since Labour came to power. That is not a helpful way in which to consider taxation because, as was said earlier, one needs to examine the net balance between tax increases and tax cuts. In addition, as the motion states, there is a need to consider the rate of change of taxation. The motion calls for

"a change of direction away from the path of . . . higher taxes".

The right hon. Member for Charnwood (Mr. Dorrell), who is not in his place, raised that issue a couple of times and invited the Chief Secretary to comment on the fact that the Government's public expenditure and taxation documents suggest that the tax burden will increase in the next few years. However, the right hon. Gentleman did not appear to realise that his intervention constituted something of a boomerang for his Front Bench, which is signed up to the same plans, minus a small, moderate reduction in taxation of £4 billion.

This morning, the Institute for Fiscal Studies said that the proposed Conservative tax cuts would offset only about one seventh of the increase in the tax burden as a share of national income that the Treasury has pencilled in for the next five years. In other words, the Red Book shows that the tax burden will rise from 36.2 per cent. of national income in 2004–05 to 38.4 per cent. in 2009–10. The hon. Member for Tatton, who is normally candid in his responses, ducked my question. I asked him to acknowledge that, even after the £4 billion of tax cuts that he intends to implement, the tax burden would increase substantially. Indeed, it will rise from 36.2 per cent. to 38 per cent. of GDP. The tax burden under Conservative plans for the next Parliament will therefore increase by 1.8 per cent. If I am wrong, I would be happy for the hon. Gentleman to intervene. However, I take his silence to show that the Conservative party is signed up in its expenditure and taxation plans to an increase in the tax burden in the next Parliament.

Mr. Maude: By how much would the tax burden rise if Liberal Democrat plans were effected?

Mr. Laws: The right hon. Gentleman knows that we set out clearly our plans for the abolition of the council tax, which is a most unfair tax, and its replacement with local income tax. Our only taxation proposal is for the 50 per cent. upper rate of tax, which would abolish tuition fees and reduce the burden of council tax. However, that does not answer the question that I posed to the hon. Member for Tatton. I take Conservative Members' silence as an acknowledgement of what they would perhaps prefer not to admit: if the Conservative party won the election, the tax burden would increase by almost 2 per cent. of GDP under its current plans.

Mr. Maude: The hon. Gentleman is an intelligent and fair man. He asks my hon. Friend the Member for Tatton (Mr. Osborne) to answer a specific question about the Conservative party's plans. Surely he must acknowledge that, if he wants an answer, he must answer the same question about Liberal Democrat plans.

Mr. Laws: My party does not make the same claim as the Conservative party to reduce taxes. The Conservative party is trying to give the impression that if it came to power in the general election that will be held in a couple of months, the tax burden would reduce. The truth about Conservative expenditure and tax plans is that the tax burden would increase considerably, and that is why Conservative Front Benchers do not want to intervene on me.

Mr. McCabe: The hon. Gentleman said that the Liberal Democrats proposed a 50 per cent. top rate of tax. He may know that his party leader said 51 per cent. the other day. I do not know whether that is mission creep. When we combine their top rate of tax of 50 per cent. or 51 per cent. and local income tax, what will be the tax burden on the average hard-working family?

Mr. Laws: The hon. Gentleman will be delighted to know that, under our proposals to abolish council tax and replace it with local income tax, 70 per cent. of households will be better off or no worse off. He should talk to those of his constituents who are retired or on a low income and who often pay 10 per cent. of their income in council tax—a grossly unfair tax that his party should be ashamed not only to retain but to have increased by 80 per cent. since 1997.

I should like to consider some of the public expenditure issues that have been raised in the context of the James debate because they are important. The Conservative party should be congratulated on stimulating debate by publicising all its policies on its website. The Chief Secretary was ungenerous in not giving the Conservative party some credit for the huge bulk of papers that he can have printed off if he is not good with technology. I had a chance to read through them this morning. I also welcome the fact that the Conservative party has undertaken a review of public expenditure. In any organisation, it is always possible to find some efficiency savings and to reprioritise some expenditure. However, it is also tempting for politicians who are desperate for easy and painless solutions to claim that they can find huge amounts of something called waste that can square the circle between public expenditure and tax priorities. We need to consider whether the Conservative party has successfully squared that circle.

[Mr. Laws]

Let us begin by examining the total savings—the £35 billion—that the James report claims to have found. It sounds immensely impressive and a large amount of money. The small print acknowledges that the Government have already said that they will make two thirds of those savings—£22 billion—and use them internally to improve public services. There is a question about whether the Government will deliver them, but the additional savings that the Conservative party says that it can make are not £35 billion but the much lower figure of £13 billion.

Mr. Borrow: The hon. Gentleman mentioned parties looking for painless ways of making savings. His party proposes abolishing the Department of Trade and Industry. Which of the Department's functions would be retained and where would they be placed in the Government structure?

Mr. Laws: I am delighted to give the hon. Gentleman more information about our plans for the Department of Trade and Industry. He may know that, since the Government came to power, there has been a huge increase in the Department's budget. He will also know about reports by the Public Accounts Committee and others about the way in which money has been spent and the fact that many of the industrial subsidies that the Department pays are wasteful and have low economic returns. We would especially target that. Of course, some of the Department's expenditure would remain as part of total Government expenditure, especially some parts of the longer-term science budget, which is important.

Let me deal with other parts of the James report. It includes a list of 168 public bodies that will be abolished. That is clearly set out, and I do not want to be unfair to the hon. Member for Tatton about his list. However, I note some double and triple counting, a practice for which the Conservative party criticises the Labour party. First, there is the double counting of the Gershon savings as both the Government's proposals and those of the Conservative party. Of the 168 bodies, 16—one tenth—are regional agricultural wages committees, 28 are individual health authorities, nine are Sport England regional bodies, and seven are regional industrial development boards. So, four entities account for 60 of the public bodies in question—more than a third of the total.

The Conservatives have also been very clear about their proposed reductions in jobs. They would apparently make a reduction of 235,000 public sector jobs, or "bureaucratic posts", as the James report describes them. That is quite a large reduction. Apparently, however, not one of those posts would be eliminated through compulsory redundancy. I find that difficult to believe, and I wonder whether Mr. James thought that that was a credible proposal.

I assume that most of the bureaucratic public sector jobs are going to come out of civil service staffing figures, rather than individual public services themselves. If that is the case, we are talking about a reduction of about 550,000 public sector jobs, as a base figure. It is true that, under the Conservative Government between 1992 and 1997, the head count in that category was reduced by about 90,000. It is also true that that category has increased since Labour came to power. If I am right, the implication of the Conservatives' figures is that the permanent staff head count would fall to about 410,000 from a peak 10 years ago of about 580,000. That would be almost 100,000 lower even than the head count at the end of the last Conservative period in office. That is an incredible, and potentially questionable, set of figures. It is as questionable as the idea that all those reductions could be achieved through voluntary redundancy. I notice that the Conservatives' largest spending commitment in any one year is a £5.9 billion commitment to fund voluntary redundancies. That says something about the views of the party.

Geraint Davies: Will the Liberal spokesperson make clear what the Liberal position is on the Gershon report? Would the Liberals cut that total number of jobs, or just some of them? What would be the head count under the Liberal Democrats? Secondly, can he confirm that the introduction of a local income tax would increase the aggregate amount of tax being paid in Britain?

Mr. Laws: The answer to the hon. Gentleman's second question is no. The abolition of council tax and its replacement with a local income tax is an entirely neutral exercise. It would not increase the total tax burden. On the Gershon report, my hon. Friend the Member for Twickenham (Dr. Cable) has already made it clear that we are committed to delivering those savings.

That brings me to my next point. There is triple counting and a lot of smoke and mirrors in the other parts of the James report, and similarly, when we look at the small print relating to the 235,000 reduction in jobs, we find that it includes the 80,000 reduction that the Government are already implementing, and that 91,000 of the 235,000 jobs would simply be reclassified from the public sector to the private sector. They would therefore not be cuts at all. The figure for the Conservatives' proposed job cuts on top of those implemented under Gershon would be 64,000, not 235,000.

We need to consider in a little more detail the savings that the Conservatives are proposing. There are some with which we have no problem. The Conservatives have identified cuts to be made in some of the industrial subsidies, and cuts in some parts of the Department for Environment, Food and Rural Affairs and the Office of the Deputy Prime Minister. We think that those would be entirely sensible. The Conservatives have also proposed a set of quite small changes with which we may not agree but which are defensible in their own right in terms of costing. We may not agree with their plans to scrap the regional assemblies and the supreme court, for example, but they are perfectly entitled to those policies and to put them into their costings.

The Conservatives' remaining savings proposals seem to fall into two categories. First, there are savings that are credible but frankly unattractive. Then there are savings that sound attractive but are, in reality, incredible. I shall give the House an example. The extent of the Conservatives' proposed cuts to the new deal, to the social housing budget and to Jobcentre Plus would harm some of the most vulnerable people in Britain. My hon. Friend the Member for Twickenham had an

interesting exchange with the hon. Member for Havant (Mr. Willetts) on the BBC yesterday, in which he pressed the Conservative spokesman on the implications of privatising the whole of Jobcentre Plus and significantly reducing expenditure in that area. My hon. Friend asked his Conservative counterpart how the Jobcentre Plus function of giving advice on work and benefits would be continued, following privatisation and given the scale of the proposed cuts. He was told that those functions would have to be outsourced to voluntary bodies. It is extraordinary to suggest that we should simply sweep away the employment and benefit advice service for some of the poorest people in society and let the voluntary sector take care of it.

I am worried not only about the proposed cuts that would hit those on lower incomes, but about those that I doubt would deliver value for money. There is a good deal of over-regulation in much of society today, and the Government have worsened a lot of that. However, I question whether it would be sensible to abolish the whole local government inspection service and to rely on council auditors and customer satisfaction reports from people who live in a particular area as a means of finding out what is going on in a council. I find it extremely surprising that that proposal should come from the Conservatives, as they were determined to introduce more inspection and accountability in the public sector. An example of that would be their proposals relating to Ofsted, which were bitterly opposed for a while.

We are very doubtful about those Conservative proposals. The costings are perfectly legitimate but the effects would be undesirable. There is, however, a bigger hole in the James report, which we look forward to exploring further in the next few weeks. It relates to the credibility of the savings that appear attractive because they do not involve cuts in key services. I have looked at the figures for reductions in Ofsted, which are already being implemented by the Government. I have also examined the proposed reductions in the advertising and consultancy budget, and I believe that the figures used in the James report are wrong. Claims are also being made in relation to the 30-month scheme and absenteeism, and £3.2 billion of completely unspecified savings are proposed by taking out the Gershon savings from Departments that could otherwise recycle them. The proposals also claim that extraordinary savings could be made by the Treasury in the processing of Inland Revenue payments, on the basis of figures in the James report that look like a back-of-the-envelope calculation. In my view, all those proposed savings are bogus and flaky. Looking at the total of the real savings that are being claimed in the James report—£13.3 billion, not £35 billion—a crude analysis would suggest that half those savings relating to waste were bogus and undeliverable.

Of course, we do not have to rely only on the Liberal Democrats' analysis to draw that conclusion. The hon. Member for Wantage (Mr. Jackson) spoke about the sceptical majority of the British public this weekend. He said:

> "If you are going to cut taxes . . . there are only two ways you can go. You can either say we are going to cut taxes and we are going to do less, or you can say we are going to cut out a whole lot of waste. Cutting waste is what you say when you are not brave enough to say we are going to do less. They"—

those on Conservative Front Bench—

> "talk about £40 billion of waste. I don't believe it. The waste thing is a fig leaf which is used to avoid talking about the practical implications of cutting taxes and spending."

The hon. Member for Wantage may no longer speak for the Conservatives, but I suspect that on this issue he speaks for the vast majority of sceptical individuals in this country who have become used to having been told by Governments and Oppositions for 100 years or more that all their problems could be solved by cutting out waste. That sceptical majority will not be convinced by the claims being made by the Conservatives.

The Conservatives claim that they will cut taxes, but when we probe further, we discover that under the next Conservative Administration—however unlikely that prospect may be—the tax burden would rise by almost 2 per cent. of gross domestic product. The Conservatives say that they will cut waste, yet most of their proposals involve double counting and incredible claims. On public spending, where Conservative proposals are attractive, they are incredible, and where they are credible, they are, to us, deeply unattractive.

Mr. James, the company doctor, was supposed to deliver a cure for Conservative electoral ills. Instead, I fear that he has turned out to be a retailer of what Mr. Gladstone would surely have referred to as quack remedies. Mr. James is supposed to have a reputation for saving beleaguered enterprises, but he appears to have failed to save the Conservative party not only from intellectual bankruptcy but from electoral defeat.

2.30 pm

Mr. David Borrow (South Ribble) (Lab): Eight years ago, in the run-up to the 1997 election, I was asked on the doorstep what Labour's plans were for tax and spending. The party's promises at that time were very specific, and they were of the sort that one could fit on an A4 piece of paper. The promises were very specific and narrow because the Labour party believed that it would become the Government. It did not come out with a document containing pages and pages of detailed savings that it felt it could make when in government, because until one is in government, one is not in a position to say that savings can be made. One cannot do that until one has had a detailed look at the books.

The Labour party was right to be cautious at that time. It identified ways in which savings could be made and in which the tax burden could change. The key ingredient of that was having measures in place to reduce unemployment, principally the new deal, for which the Labour party had identified a pot of money. As a result of the new deal and continued economic growth, 2 million new jobs have been created in the past eight years. The amount of taxpayers' money that was being wasted on unemployment has plummeted. In addition, the amount of tax revenue coming into the Treasury because 2 million more people are in work has gone up. That has allowed the Labour Government, at this point in time, to begin to identify other savings, which can then be used in front-line services.

In many ways, the Gershon report's conclusion that we could make savings of £21 billion, which would involve a reduction in public sector jobs of 70,000, was challenging. Achieving that will be a huge task. I hope that my Front-Bench colleagues have their figures right

[Mr. David Borrow]

and have done the necessary work, but I know that delivering that in the next term of a Labour Government will be immensely difficult and will create considerable pain. The bulk of the £21 billion savings is to come not from reductions in the number of public servants, but from better private sector procurement. From speaking to companies in my constituency, I know that they are beginning to feel the pinch when it comes to dealings and negotiations with central Government.

I therefore find it difficult to read reports this week that the Conservative party in opposition can suddenly find not £21 billion of savings, but £35 billion, and that it can pretend that that will be painless and that extra cuts in public sector jobs, whether 64,000 or 160,000, will make no real difference. It is bound to make a difference. When public sector workers in my constituency come to me with their concerns about the Government's proposed cuts and savings, I need to be assured by Ministers that if the numbers of people working for the Government will be reduced, whether in the Department for Work and Pensions or wherever, that will not mean a reduction in the service given to my constituents. It is not right that the taxpayer should pay to employ people to do unnecessary jobs. However, if people are working for the public sector doing necessary and good jobs, if we decide to get rid of those jobs we must be honest and open about the effect on services. If, as a result of investment in IT, certain jobs can be done more efficiently, that is a step forward. If certain jobs do not need to be done because we do not have large numbers of people unemployed, that is good and that money can be spent elsewhere. We need to be open and honest about all that.

What concerns my constituents most when it comes to tax and spending is whether they can afford to pay and whether they are getting decent services for the money that they pay. After eight years of a Labour Government, we have steady economic growth, the lowest interest and mortgage rates for 30 years and more, and unemployment in my constituency now at 1.2 per cent. —which is a huge contrast to the situation 10 or 15 years ago. With that economic stability, steady economic growth and low unemployment, people in my constituency can decide whether they can afford to pay a bit more tax, or whether they want to pay a bit less, in relation to the quality of public services that they receive.

I had a couple of meetings recently with the Lancashire police authority, which has been carrying out consultation exercises over the past few years, on whether the people of Lancashire would be prepared to pay above-inflation increases in council tax to the police authority if they got better services. All the indications are that if the police authority were to increase the council tax element for the police by 10 per cent. or so, and if that led to more front-line police officers, people would be willing to pay for that. If they believe that they are getting a better service, they are prepared to pay for it. If they do not think that they are getting a better service, they are reluctant to pay for it. Therefore, when we talk about investment in public services the key question that people must ask themselves is: are we getting value for money? Is it right for us to continue to pay through taxes rather than buying privately?

Over the past eight years, I have visited schools in my constituency on a regular basis. Every one of them has had major investment in staff and equipment, and virtually every one has new building projects under way. This Friday, I shall go to the opening of a £1 million-plus sports hall at Tarleton high school. The same school had a new £500,000 block built three or four years, with computer suites and so on. That is typical of the schools in my constituency. Parents in my constituency can therefore see from the schools to which their children go that extra investment in education is leading to visible improvements. There may be a question as to whether that investment has led to the sort of improvements in performance that some of us would like, but when I remember what many of those schools were like eight years ago, I defend the need for this Labour Government to put in major capital investment. If a school has inadequate buildings, with leaking roofs, bad windows and inadequate areas for sport and assembly, spending a lot of money on improving that may not automatically lead to better GCSE or key stage 2 results. In a prosperous, wealthy society, however, I would have thought that all Members would agree that it is important to spend that money, and I can certainly say to my constituents that it is money well spent.

The same applies to the health service in my area. We have had dialysis units and cancer units. The doctors' surgery across the road from my office in Leyland seems to have had extensions and improvements every few years as it has expanded and delivered extra services. A new drug and alcohol abuse centre was opened in my constituency a few months ago, which we have all been wanting for many years. Those are tangible, visible improvements in public services, and people can make a judgment on whether it is right to pay for them.

I agree with those who have said today that we may have reached more or less the limit of what most people want to pay as a proportion of the overall level of tax. As sensitive Members of Parliament—

Mr. Mark Hoban (Fareham) (Con): Will the hon. Gentleman explain how he would fill the Government's £8 billion black hole—the gap between their spending plans and their taxation?

Mr. Borrow: I am sure that as the years unfold we will see whether it is a fictitious or a real black hole. During every year that I have been in the House, I seem to remember hearing Opposition Members talk of doom and gloom, saying that there would be a recession, that there would not be the expected tax revenues, that expenditure would be higher than expected and that the Chancellor would be unable to balance his books. Every year those critics have been dumbfounded by the fact that the Chancellor has been right and they have been wrong. If the Chancellor continues what he has been doing over the last few years, I have no reason to believe that he will not be able to deliver the public sector investments and improvements that I want to see, as well as ensuring that the books balance over the economic cycle.

I want to say a little about why some of the investment that the Opposition parties want to get rid of is, in fact, crucial. That applies in particular to the new deal. Members may ask why the new deal is important to

a constituency like South Ribble, which has full employment. Two or three years ago, Tesco built a new store in Leyland and we were able to persuade it to become part of a new deal partnership. It recruited many of its employees from the long-term unemployed register. Using new deal money, it put them through a detailed programme to prepare them for work. People who had not worked for many years, and in some cases had not worked at all, eventually found secure, stable jobs with Tesco. Without the new deal, that would not have happened.

Employers often say to me—given that my constituency has full employment—that there are people out there without jobs, but they do not have the skills and the confidence to obtain work. Hundreds of workers in my constituency have been brought in from overseas—from eastern Europe and South Africa, for instance—and are doing excellent work, particularly in horticulture. However, I know that there are probably similar numbers in my constituency who, if we as a society were prepared to invest in them and give them confidence, skills and the work ethic, could be doing those jobs and making a productive input.

That will not be cheap. In the years ahead, the new deal programme may have to be altered to meet the needs of the future. I have no doubt, however, that if we want to make a difference to society, securing employment for people who, in many ways, are seen as being unemployable will be crucial. Breaking the cycle for people who have never worked and whose parents often do not work is one of the real challenges facing us. We have low unemployment and ours is a prosperous society, but a sizeable chunk of the population is not part of the work force and could be brought into it. Simply saying, "Here is a job, go and get it, go for an interview" will not bring them in—what is needed is investment by the community in those individuals. Working with employers and the wider community, we must give them the skills, talents, experience and confidence that are so important to getting them into work. That will have a knock-on effect on crime, disorder and all the other things about which concern is often expressed. Making people part of mainstream society is one of our key tasks.

My patch is one of the lucky, relatively privileged parts of the country—a nice area with nice houses, nice schools and very low unemployment. Even there, however, there are people who should be given the opportunity to work, having not worked for many years if they have even worked at all. That is a key part of the programme, and I think the two Opposition parties are wrong to want to get rid of that programme.

I want to make some criticisms of the Liberal Democrats' proposals, particularly their proposal to abolish the Department of Trade and Industry. I was in Toulouse yesterday to see the unveiling of the Airbus. The Prime Minister said that once the A380 was under way, in full production, there would probably be about 100,000 jobs in the UK linked to and dependent on it. Many smaller companies will be involved as well as the two main companies, Rolls-Royce and Airbus Industrie.

In proposing to abolish the DTI, the Liberal Democrats fail to recognise its importance to projects such as the Airbus. On several occasions during the eight years for which I have been in the House, I have lobbied both the DTI and the Chancellor for launch aid for the Airbus, which has been crucial to the UK's status as a major partner in the project. The idea that we can simply abolish the DTI puts our aerospace industry at risk. Moreover, the DTI provides export credit guarantees, which are crucial to the aerospace industry that employs thousands of people in my constituency in military aircraft production. Without the guarantees, exports of military aircraft from Wharton and Samlesbury in Lancashire would not be possible.

While I am having a little go at the Liberal Democrats, let me point out that I shall take great care to ensure that my constituents who work to produce the Eurofighter in Wharton and Samlesbury know that if there were a Liberal Democrat Government, one of their first acts would be to tear up the contract that was signed by the Secretary of State for Defence for the second tranche of the Eurofighter. That, too, would put thousands of people in Lancashire out of work—work on something that people like me have supported for many years.

It will be interesting to see whether the Liberal Democrat candidates in Lancashire include in their election manifestos, in a prominent position, their proposal to sack thousands of military aircraft workers in the county, or whether they will ensure that the proposal is seen only in parts of the country where military aircraft production is not an issue. The Liberal Democrats are very good at saying different things to different people, and because they are the third party their programme will never be properly scrutinised by the media. When their leader is interviewed, interviewers do not ask him for details of his party's spending and taxation programme because they know, as I do, that the Liberal Democrats will not form the next Government.

Mr. Laws: Will the hon. Gentleman give way?

Mr. Borrow: I shall be more than delighted.

Mr. Laws: Is the hon. Gentleman in a position to give us a guarantee that the Government will go ahead and order all the Eurofighters?

Mr. Borrow: I was at the Wharton factory before Christmas when the Secretary of State for Defence visited it, at the time when the second tranche of the contract for the Eurofighter was being signed.

Mr. Laws: It was the third.

Mr. Borrow: The contract that I was concerned about was the second tranche of the Eurofighter. The Liberal Democrats have pledged to tear up that contract and to sack thousands of workers in Lancashire. I will ensure that the people of Lancashire are aware of that commitment.

I want to finish by briefly discussing the proposed cut in the housing budget. In areas such as mine, which have full employment and high house prices compared with other parts of the north-west, a particular economic constraint is imposed on businesses. Many employers in such areas are struggling to recruit people because there are no affordable properties for them to buy. There is a

[Mr. Borrow]

need for more social housing and for more affordable houses to buy. Such a change can come about only if the Government intervene in the market, which will require a budget of some sort. The Office of the Deputy Prime Minister has a crucial role to play and it can make a difference in areas such as mine by allowing housing associations to build new properties for rent, and by allowing local agreements to be reached on the building of more affordable properties.

At a time of economic success, it is very easy to ignore many of the ingredients of it and to think that bodies such as the DTI and issues such as housing are not very important, but they do affect the continuation of that success. I have listened with interest to the Conservatives and I am sure that my constituents will take the same view as those in the vast majority of constituencies, namely, that the Conservatives' proposals are truly incredible. They will prefer to vote, when election day comes, for a party with a proven track record of low unemployment, low inflation, low mortgage rates and good public services.

2.52 pm

Mr. Francis Maude (Horsham) (Con): I declare the interests that appear against my name in the register.

This is an important debate and I enjoyed the speech of the Chief Secretary to the Treasury, albeit not as much as I normally do. He is usually very flamboyant, but today he was much more restrained. I offer him this personal advice: if he carries on in that vein, there is a serious danger that at some stage he will achieve gravitas, which would do his reputation no good at all.

The Chief Secretary inadvertently gave a certain amount away when he got himself into a great state about the form in which the James report has been produced. He held it up with disdain—virtually between finger and thumb—seemingly saying, "This is only a PowerPoint presentation, a mere set of slides. Feel the width of that compared with the Gershon report! Gershon is printed on heavy quality paper and it has a shiny cover. It is altogether a superior product." In a way, that was a paradigm of new Labour. Here we are discussing waste, but for the Chief Secretary the only issue arising from a comparison of Conservative and Labour approaches to waste is the way in which the reports are produced. A glossy report full of heavyweight paper is a proper report on waste, but a PowerPoint presentation—golly!—could not possibly be the goods.

What matters is not the form in which a report is produced but what one does with it. We should consider the significance of what has happened in the months since the Gershon report was unveiled with due ceremony and all the glitz that goes with any new Labour presentation. Instead of much-vaunted cuts, public sector employment has steadily risen month after month. The report is an emblem of new Labour: lots of spin, a glossy cover and heavy quality paper, but no action behind it.

The Financial Secretary to the Treasury (Mr. Stephen Timms): I am listening with interest to the right hon. Gentleman's comments about the James report. Perhaps he will help us by saying whether there is in fact a report behind the published PowerPoint presentation, or is it true that, as Professor Colin Talbot said on "Newsnight", callers to Conservative central office are told that it will not be published because

"it would give too much ammunition to our opponents"?

Mr. Maude: I am given to understand by my hon. Friends on the Front Bench that the James report exists in exactly that form. I commend the work that they have commissioned and done on this report, which is the most serious undertaken by an Opposition on this important subject for a very long time. The report certainly is available.

Mr. Laws: This is a useful opportunity to clarify whether there is a report. Is the report that is published on the website—admittedly, it is fairly extensive, running to 173 pages—the James report, or is it simply a summary of a detailed piece of work?

Mr. Maude: It is flattering that the hon. Gentleman should ask me that question, but I am the humblest of Back Benchers and know nothing of these matters. However, I am assured by my colleagues on the Front Bench that that is indeed the report. It is a very serious piece of work, and it will bear all manner of scrutiny.

The Gershon report's approach and the manner in which it was unveiled—but then not implemented—is a mirror-image of this Labour Government's approach to tax. In their early days, they were very keen on this issue. The hon. Member for South Ribble (Mr. Borrow) mentioned speaking to people on the doorstep during the 1997 election. We all remember the Prime Minister saying in clear terms that the incoming Labour Government had no plans to increase tax at all. There were no ifs, buts or qualifications: he was perfectly clear. However, they had such plans all along—they must have, because they were implemented almost immediately. As the Prime Minister had made that stark commitment, tax increases had to be introduced by stealth—hence, the first raft of stealth taxes.

The smoke and mirrors of the Gershon report and the Gershon process is the converse of that approach: it is public spending by stealth. The Government say, "Of course we are not increasing public spending overall. We are cutting out all this waste and getting rid of lots of public servants." However, each week *The Guardian* runs a thick supplement full of advertisements for public sector jobs. So this is all about recycling: taking waste and recycling it into the front line. However, although money is going to the front line it is not coming out of such waste, because Gershon simply is not being implemented. It is a classic example of smoke and mirrors from the Chancellor, in an effort to cover up the fact that public spending is rising sharply and unsustainably. Such spending will place an increasing burden on the economy, making it much more difficult to deliver the growth that the Government hope for and that is essential if the country is to become increasingly prosperous.

Whatever the colour of the Government of the day, it is in the nature of all Governments that public spending tends to increase. In "Yes Minister", Sir Humphrey described this as the "politician's syllogism". Something

must be done and this is something; therefore, we must do it. For any politician, the "something" that comes most easily to hand is public spending. It is very easy to spend public money, and then to claim that one has done something and that the problem identified is being addressed. But simply spending money does not solve problems. The effect on public services of the very large amounts of money that this Government have spent since they took office illustrates that point. Such spending simply has not translated into anything like proportionate improvements in the quality of such services; rather, it has translated into burgeoning waste, which is why the James report is so credible. A great deal of money has been misspent, and a lot of surplus money is being wasted that could be saved.

Of course, it is easy to spend money; it is much more difficult to make it translate into improvements. I believe that, over time, the state should take and spend a smaller proportion of the nation's income. That provides not only a stronger economy, but a stronger, more cohesive society. People do not just do more for themselves and their families; they do more for each other and for their communities. It binds society together. I do not believe that this is a better country if people think that they can contract out all their social obligations to the state. We are a better people than that. We want to carry responsibilities ourselves, not only for our families but for our neighbours, our communities and our society.

The trend in the proportion of the nation's income spent by the state—up or down—changes only very gradually. I strongly support the proposition that a Conservative Government would seek to put that proportion on a downward trend. No cuts in public spending would be involved, because it would increase year on year, as it always does and always will do. The key figure is the proportion of the nation's income that is taken and spent by the state, and that has to fall if we are to have a healthy country.

The Chief Secretary gave us some statistics about where Britain stands in relation to other European nations, but the countries that have shown the most vigorous economic growth in recent years include Australia, where the state's percentage of the nation's income is in the low 30s, and Ireland, which has shown the most dynamic growth in the European Union and where the state's share of the nation's income is again in the low 30s. The US is in a similar position. In some of the world's most vigorous economies—the Asia-Pacific region shows vigorous growth, for example—the state takes a much smaller share of the nation's income than is the case in this country.

I make no apology, therefore, for believing in a smaller state. That is why I did not find the Government's proposals on university tuition fees as objectionable as some of my colleagues did. The proposals would increase people's personal responsibility. The scheme was bungled to accommodate the diehards on the Labour Benches and will not deliver what it promised, but the principle behind it is sound. The state should do a little less and people should take more responsibility for their own destinies and lives.

The Government go on about the golden rule, and the Chancellor might just about be able to claim that he has stuck to his definition of it. It is a good rule and I am glad that my right hon. and hon. Friends are committed to retaining it, but it puts no constraint on the size of the state. If Labour wins a third term and if the Chancellor remains in his post—two very big ifs—he will have to increase taxes substantially if he is to stick to the golden rule, because he has built into the public spending plans an increase that is otherwise unsustainable. If that happens, the burden that will be placed on the wealth-creating economy will be increasingly hard to bear and will act as a constraint on the very economic growth on which the Government's plans depend—not to mention the prosperity of the country.

I have heard new Labour Members and Ministers argue that what is important is the way in which public money is spent and what is delivered, not how much is spent—as so many of their colleagues seem to believe. My hon. Friend the Member for North Essex (Mr. Jenkin) intervened when the Chief Secretary referred to the concept of earned autonomy—the most repellent phrase in the new Labour lexicon. Apart from the fact that it is a contradiction in terms, the idea has built into it an assumption that the gentleman in Whitehall knows best. It means, "We will give you a little bit of independence, if you behave yourselves, but don't worry, because you will always be on the end of the string. And there'll be a twitch on the string if we think that you are abusing your autonomy." However, if we seriously believe that people who are elected by their local communities to run local government are better able to judge what is right for those communities than we are at the centre, we have to accept the possibility that, in some cases, autonomy will not be used well. It is not a risk-free option. If we do not allow the possibility that autonomy might be used to make mistakes, we suppress the possibility that autonomy will be used in unpredictable ways to find better, more interesting and more dynamic ways to do things. Innovation depends on that, and progress stems from it. It is certainly where progress comes from in the private sector and it should do so in the public sector, if the strings are cut and genuine, unearned autonomy is granted.

Occasionally, we see straws in the wind that hint that the Government are beginning to understand that principle. They pulled back to the centre control over hospitals, GP practices and schools—by getting rid of grant-maintained status—but they are now paying lip service to the idea of removing central controls. Practice commissioning sounds to many of us like GP fundholding, although the Government do not wholly believe in it so it will not work as well as it should. Foundation hospitals are not a bad idea, but again the proposals have been adulterated to accommodate the diehards on the Labour Benches. Foundation hospital status will not, therefore, give local managers the ability to run things themselves.

Money will be spent well, and innovation and best practice will develop and spread, only by letting go of the strings and getting rid of the risk-averse culture. Whitehall is a natural home for the risk-averse culture and it is the job of politicians to alleviate its effects. The Government have tended to accentuate it, and that is why we have had a huge increase in public spending without a proportionate increase in the quality of services.

Mr. Hoban: My right hon. Friend makes some important points about the power that autonomy brings. Is he aware that the state sector schools that topped last week's value-added league tables were city technology colleges, the schools with the most freedom? The schools that came at the lower end of the table were community schools, which have the least freedom in the state sector. That demonstrates the power of autonomy to raise standards and ensure that money is spent effectively.

Mr. Maude: My hon. Friend is absolutely right. I remember that several of the secondary schools in my previous constituency sought and obtained grant-maintained status. I remember visiting one after it had become independent, and it was the same school, with the same buildings, same staff, same parents and same pupils. I asked the staff how they felt about the new regime. They said that they were all working much harder, but they were loving it because they could make decisions and make things happen. The school had a different feel about it. Members of Parliament all know that when we go into an institution we can feel very quickly whether it has a crackle of energy, enthusiasm and drive. We can tell whether an institution is alive and thriving. Independent schools and hospitals run by people who have the power to make and implement decisions and who can take opportunities are living, thriving and dynamic institutions. The position is exactly the same in the private sector.

Finally, on tax, my right hon. and hon. Friends have made the right equation, and there is relatively modest scope for tax reductions in their proposals. That is responsible, and it betokens an honest approach to the electorate that is both welcome and essential. It is a big contrast with Labour, who said that they did not have any plans to increase tax at all, yet made 66 stealth tax increases. By and large, people want to live in a society and an economy in which taxes are fairly low, but they want public services to improve. When we take office, we will have to reform public services quite radically. Structural reforms are needed, mostly to achieve the Conservative policy of much greater autonomy for the public services.

Mr. Laws: The right hon. Gentleman has talked about the importance of being honest about taxation and being realistic about taxation plans. In that vein, is he honest enough to admit that his party's plans still involve an increase in the tax burden in the next Parliament of almost 2 per cent.?

Mr. Maude: I am tempted to tell the hon. Gentleman that we will show him ours if he will shows us theirs, as he has been remarkably recalcitrant, diffident and reticent about revealing the full extent of the Liberal Democrats' tax increases. My hon. Friends are right to be restrained, as we do not know what the public finances will look like. However, there is a black hole in them and borrowing has risen to an unsustainable level, so spending must be constrained. It is undoubtedly the case that significant structural reform of the public services in the short term costs money, and does not save it. If reform is done well, in the medium to longer term the money buys more for the community and users of public services. It is therefore right to undertake reform, but in the short term it is a constraint on the ability of any Government to reduce taxes.

We should continue to make the case not only that we have a stronger economy and a better, more cohesive society and stronger communities when taxes are lower. I thoroughly commend the plans that my right hon. and hon. Friends introduced earlier this week. Theirs is an honest, straightforward, well thought out approach, and it deserves the support not only of the House but of the country.

3.13 pm

Mr. Stephen McCabe (Birmingham, Hall Green) (Lab): A child aged five when the Tories came to power—I shall call him little Jim rather than little George—would be 31 today. He would have had the misfortune to be educated in an overcrowded classroom, and there would have been insufficient attention to numeracy and literacy at his school. The building itself was probably falling apart, and there would not have been enough teachers. His father was probably one of the 3 million unemployed people thrown on to the scrapheap by the Conservatives, who not only told us that that was a price worth paying but crowed about it. When little Jim's mother was sick, she would have to wait in the queue, as there were about 500,000 people on NHS waiting lists.

Just when the family thought that things could not get much worse, they lost their house as a result of negative equity. The very foundations of their life were destroyed and, while all of that was happening, they lived in an area where crime was doubling and the number of police officers was reduced. That is young Jim's early life—a world of despair, desolation and desperation.

Mr. Laws: And then came 1997.

Mr. McCabe: Jim was part of an ordinary, decent, hard-working family—he was not born into the lap of luxury—like many other people in the hon. Gentleman's constituency and in my own. Their lives were laid waste by the Conservatives' deliberate actions when they were in power. It is quite true that things changed for Jim in a way that he could not have envisaged after the terrible experiences of his early life. At the age of 23, he secured training and a job through the new deal and he now has another job, which is secure and much better. He and his wife have been able to take advantage of stable interest rates to buy a modest home. The combination of tax credits and the minimum wage mean that Jim and his wife can provide for their children. They can run a small car and manage a family holiday. They have been able to build a modest savings account.

Mr. Andrew Turner: What would Jim's plight be if he were in the position of many people in my constituency? Having received overpayments of tax credits last year, they have been deprived of the tax credits that they expected on the basis of the Inland Revenue's calculation and, moreover, they have had money taken away from them this year. They are therefore living on far less this year than they did last year because of the incompetence of the hon. Gentleman's Government and the Chancellor.

Mr. McCabe: I suppose that when one does not like to be reminded of one's record it is tempting to take the hon. Gentleman's approach. I simply make the point

that tax credits are available now. Any failure in their delivery is regrettable. We all agree that anything that makes life tougher for people should be put right, but the reality is that nothing like tax credits was available when the Tory party was in power.

Not only have things improved slightly for Jim and his wife but his child is taught in a brand new classroom, and is excelling in numeracy and literacy. He is supported by one of several new teachers who were recently recruited to his school as well as by a helpful classroom assistant. Jim's mother still suffers periodic bouts of ill health, but she is treated at a brand new health centre, which is far removed from the Dickensian workhouse that she used to attend.

Mr. Hoban: If life is so good, can the hon. Gentleman explain why a hard-working mother in my constituency cannot find an NHS dentist to treat her children when they need dental care?

Mr. McCabe: Like the hon. Member for Isle of Wight (Mr. Turner), the hon. Gentleman would like to forget the record that I am describing. No one denies that there are problems with dentistry in some parts of the country, but we all know who created the original problem by cutting training opportunities for dentists.

Jim's mother receives better medical treatment. His father is now a pensioner, and benefits from free eye tests, the winter fuel allowance, a free TV licence and pension credit. That is the lesson that people like the hon. Member for Tatton (Mr. Osborne), who has conveniently forgotten the excesses of the last Tory Government, need to learn.

Lembit Öpik (Montgomeryshire) (LD): The hon. Gentleman paints a rosy picture of a utopian society in which I wish I lived myself—but I do not. He will remember that his Government promised to solve the crisis in the NHS dental service 2001 and I can certainly back up what the hon. Member for Fareham (Mr. Hoban) said. Many people cannot obtain dental provision in my area, Montgomeryshire, at all. Can the hon. Member for Birmingham, Hall Green (Mr. McCabe) tell us how he thinks this serious problem can be resolved? It is a long way from utopia for those who suffer serious dental problems as a result of the Government's failure to solve the crisis.

Mr. McCabe: I am not a Liberal so I do not tend to have utopian fantasies. I am trying to depict a straightforward contrast between the situation during the last Conservative Government and the reality of what has happened since Labour came to power. That is all I am doing; I am simply pointing out what the life possibilities were and how they have changed. I would be the first to concede that we need to do more in the NHS across the board, and that we certainly need to do more to increase the availability of dentists. My view is that that will be best achieved by investment rather than cuts. Any programme designed to cut out the chance of increasing the number of dentists will not help the situation. That seems painfully obvious.

The reality is that nowadays we are living with the lowest inflation since the 1960s. Interest rates are at their lowest for 40 years and we are living through the longest period of economic growth that anyone can recall—[HON. MEMBERS: "Since when?"] The figure varies, but I am told that it is at least 200 years.

What is certainly not in dispute is the fact that our public services are expanding; our schools are improving, crime is falling and employment is at record levels, yet at such a time we are told by the Opposition that they want to turn the clock back. They want to go back to cuts. They want to scrap the new deal so that they can restore unemployment to the levels we saw when the Leader of the Opposition was last in government. They want to axe key business support programmes, despite the protestations of the CBI and Stephen Alambritis of the Federation of Small Businesses. The party of BSE wants to halve the budget of the Food Standard Agency, damaging public health and doing untold damage to national and international confidence in the standards of our food. They want to abolish key NHS targets so that there will be lower standards and waiting lists will rise once more, and of course they want to cut Ofsted and LEA budgets covering things such as special educational needs, about which they say they are so concerned, as well as music classes and truancy programmes.

Mr. Hoban: When the hon. Gentleman's constituents ask for their share of the £15 billion increase in school spending, what will he say to them?

Mr. McCabe: My constituents will comment on the fact that Allenscroft school is about to be completely rebuilt, that Hollywood primary school has recently been refurbished and that Colmore junior school, which achieved excellent results recently, has just recruited new classroom assistants and teachers. They will tell me that the secondary schools have more resources than ever and urge me to tell the Chief Secretary and his colleagues to continue on that path.

I have not heard one commentator endorse—[HON. MEMBERS: "Except Jim."] It may be entertaining, but we were given a very interesting lecture by little George at the outset. He wanted to forget what had happened during all the years that his party were in power, so I am equally entitled to contrast—

Mr. Deputy Speaker (Sir Michael Lord): Order. The hon. Gentleman must refer to hon. Members of the House in the proper way.

Mr. McCabe: I apologise, Mr. Deputy Speaker. No offence was intended.

I was saying that I had not heard one single commentator treat the Opposition's plans seriously. Those plans are frightening and damaging but no one really treats them seriously. Everyone knows that they are merely a fig leaf to get a failing and weakened leader through an election. What is guaranteed is that as soon as that election is over the first dramatic cut will be the leadership of the Tory party. That is what is happening at the moment and that is what we can expect.

My hon. Friend the Member for Warwick and Leamington (Mr. Plaskitt) noted earlier that the Tory motion referred to 66 tax rises and he helpfully pointed out that the Conservatives had arrived at that number by adding together the various changes listed in the Red

[Mr. McCabe]

Book. Conveniently, they have ignored the 232 tax cuts, which can be demonstrated in exactly the same fashion: tax cuts such as corporation tax to help business, jobs and exports; the doubling of capital allowances to small and medium enterprises and tax credits to help hard-working families. All are at risk under that increasingly desperate shell of a once proud political party.

What can we really expect? The shadow Chancellor, who has established some reputation for honesty, is always willing to let the cat out of the bag. He has told us exactly what we can expect. Pain. That is the Tory message to the electorate. It is not painless and there is no point in trying to pretend that it is painless, he said. Now, we have some idea of what sort of pain is intended. This is a slash and burn exercise. The proposals are way above the 2.5 per cent. efficiency savings that Sir Peter Gershon said were possible. He warned that if we went above that we would do untold damage to the economy and our public services. It is not acceptable to come to the House with some kind of PowerPoint presentation that ignores that basic fact. If the Opposition's proposal is to make cuts that go beyond what Gershon said was possible, they have an obligation to spell out in detail what those cuts will be and where they will fall. To do anything else is deliberately to try to deceive the British people.

It seems to me that I am entitled to ask exactly what additional cuts are intended. I say that because I noticed earlier that the hon. Member for Tatton was happy to quote the Institute for Fiscal Studies when he felt that it supported his argument. In return, perhaps he would care to explain the comments of Robert Chote of the IFS who has warned that currently only a third of the Tory plans have been costed and that they will have to go much further and find much deeper cuts. I want to know where those cuts will fall.

I am conscious of the fact that the Environment Agency has been cited. It is possible to make deep cuts in the Environment Agency, and we know exactly what that would result in: more flooding of people's homes, more illegal fly-tipping, fewer prosecutions of cowboys and more risks to public health. If that could be done to one agency, which other agencies that would be dismissed as meaningless quangos would also be chopped to the bone, and which other services that currently exist to protect the British public would be taken out of action? I am entitled to ask that in such a debate. In fact, I shall go further: if the Conservatives have accounted for only a third of their cuts to date, I want to know where the other two thirds would come.

Given the Conservative party's record when in power, I suspect that the Conservatives would start to close schools and hospitals. If so, I want to know which ones in Hall Green the Conservatives intend to take out of commission. Would they cut the new classrooms at Allenscroft, Hollywood or Colmore schools? Which schools and hospitals are on the secret Tory hit list? We are entitled to know. The Conservatives cannot give a PowerPoint presentation and ignore the things that people are really concerned about.

I was astonished to hear the hon. Member for Tatton boast that he would spend £6 billion to sack 230,000 diligent public servants. Given the experience of unemployment in this country under the Tory Government, I was astonished that a shadow Minister could gloat about the fact that he plans to spend £6 billion of public money to throw 230,000 diligent civil servants on to the scrapheap—people who work in the new deal, helping others to find work and unemployment, and people who work in the strategic health authorities, of which the hon. Gentleman is equally dismissive.

Of course, as I pointed out earlier today, we would not know about the abuse of elderly people at the Maypole nursing home in Hall Green if it had not been for the actions of the strategic health authority's staff in uncovering that scandal. The decent civil servants who work at the Environment Agency and the people in the regional development agency who are trying to provide jobs and regeneration in some of the most run-down parts of Birmingham are the kind of people who would be thrown on the scrapheap. Of course, as we heard yesterday at Health questions, the Conservatives would also like to sack the accountants who work in the health service—the very people who are capable of tracking budgets, trying to avoid waste and ensuring value for money.

I conclude—*[Interruption]*—that I can agree with only one part of the motion. Opposition Members will hear an awful lot more between now and the election, so they should not panic.

Mr. Francois: Some of it might actually make sense.

Mr. McCabe: The simple problem is that it will not make any sense to the hon. Gentleman because he does not realise what mass unemployment does to people's lives. He does not care about cuts in the health service, about the effect of crime on people or about negative equity. He thinks that those are matters of fun. I suggest that he speak to some of the people who have had to live with the trauma of those experiences, which the Conservative party inflicted on their lives.

I agree with one part of the motion: there is a need for a change of direction. It is time the Tory party abandoned its back-to-the-future vandalism and started to recognise that the British public constantly reject the Conservatives because of their false prospectus and their fantasy policies.

3.32 pm

Mr. Quentin Davies (Grantham and Stamford) (Con): The kindest thing that I can say about the contribution made by the hon. Member for Birmingham, Hall Green (Mr. McCabe) is that he was obviously gallantly and valiantly responding to a plea from his Whips to come into the Chamber to fill up some time so as to disguise the Labour party's evident embarrassment and indifference towards this very important question.

The need to monitor spending and control the Executive's spending appetite is the first role of the House. We ought to discuss that matter more often than we do. I congratulate my hon. Friend the Member for Tatton (Mr. Osborne) and right hon. and hon. colleagues on giving us this opportunity and on inviting Mr. James and his colleagues to produce the excellent report that we have all received. It is very easy to get it off the internet; my secretary did so this morning with no difficulty at all.

The report is an impressive piece of work, and it is particularly important that public attention should be focused on the extremely worrying growth in public expenditure over the past few years and the fact that we are now running a £40 billion-a-year deficit that must be paid for, with interest, by future taxation. That is a clear burden on future generations. This is the right moment to focus on the issue.

The report brings out absolutely astonishing, spectacular and frankly scandalous revelations. For example, I have learned that the administrative costs of the Department for Culture, Media and Sport have more than doubled since 1997, although its responsibilities have increased only trivially. It is clear that bureaucracy in that Department is out of control. I have learned that the National Endowment for Science, Technology and the Arts—NESTA—which distributes grants under those headings, has given away £7.3 million, yet its bureaucracy has cost £5.9 million. That is a scandalous waste of public money by any standards, so I am grateful that the report has brought that out.

Some aspects of the report are slightly weaker than others. I am not quite convinced about savings of £1 billion or more in defence procurement in the Ministry of Defence. Additionally, the person who was responsible for drafting the part of the report on overseas aid—I know a little about the subject because I serve on the International Development Committee—was not up to the standard of those who wrote the rest, because that section is very muddled. It says:

"the EU is widely recognised as one of the least effective aid channels, since only 52 per cent. of EU overseas development aid goes to low income countries."

It is a fundamental error to confuse giving aid to poor people with giving aid to poor countries. The largest development programme that we have is to India, and although that is a middle-income country, there is enormous poverty in Orissa, Bihar and other states, so we are right to continue to give such aid. The fact that only 52 per cent. of EU aid goes to low-income countries says nothing about the efficiency of the programme.

The James report suggests splitting the EU aid budget

"to separate aid aimed at EU Peace and Security from aid aimed at poverty reduction."

Such a split already exists because there is a separate budget under the external relations part of the own resources budget that is related primarily not to poverty reduction, but to building stability in the near abroad. The budget makes a useful contribution to building stability in the Maghreb, the Balkans and the Commonwealth of Independent States, and I think that we are committed to it. Additionally, the European development fund is administered by EuropeAid, which is a completely different bureaucracy. The split already exists, so I am mystified by the proposal.

The report talks of

"bringing back to the UK the voluntary contribution that . . . goes to the European Development Fund."

The contribution is voluntary in the sense that it has nothing to do with our contribution to the EU's budget and that not making it would be consistent with our obligations under the treaties, but it is not voluntary in that we are committed to making it under the Cotonou agreement and we would let down many poor countries if we did not do so. The section of the report is bizarre and muddled, so it must be reconsidered.

Several aspects of the report are modest and we could have been more ambitious about cutting Government expenditure in some areas. I was surprised that there were no proposals to reduce quangos in the section on the Department for Environment, Food and Rural Affairs, so I hope that we can consider doing that.

There is an open question about whether we should provide legal aid at all for non-criminal cases in this country, given that we have provision for contingency fees. Although I do not have time to go into that point now, there must be a case for restricting access to legal aid for civil cases to UK residents. We have that restriction in the national health service, but apparently not under the legal aid budget, so surely legitimate savings could be made. We know from the newspapers that scandalous abuses of civil legal aid have involved non-UK citizens.

When considering the Home Office, we should think about savings in the Prison Service. The Federal Bureau of Prisons in the United States raises more than half its costs through prison work programmes, and I have felt strongly about that matter since I was a Parliamentary Private Secretary in the Home Office under Ken Baker. The Home Office said that it would try to do something, but I encountered enormous resistance to the idea in the Prison Service. We should take the matter up.

On the Department for Education and Skills, I think that we could be braver than the James report suggests and abolish local education authorities altogether. It seems to me that there is a residual function in looking after children with special needs and those who have been excluded from mainstream schools, but that concerns a very small number of people and does not require an LEA. All their regulatory, advisory and inspection functions could and should be totally closed down.

I have a final, personal contribution to make. This is worth billions, and I think we should consider it urgently. I propose the introduction to the NHS of compulsory generic prescribing. That is to say that when a doctor prescribes a pharmaceutical compound or combination of compounds, the dispensing pharmacist should where possible, if they want to be reimbursed by the NHS, dispense one that is ex-patent and available in generic form, often at a cost that is an order of magnitude lower than the branded version. We should not be using taxpayers' money to pay for packaging or brand; we should be paying simply for the clinical compound that is required.

That is my additional suggestion. I am moving forward on the excellent basis that has been established by the James report, which I hope will inform the debate that we will be having over the next few months, when the rising burden of public expenditure and taxation will be, as it should be, one of the major themes in the coming election campaign.

3.41 pm

Mr. Mark Francois (Rayleigh) (Con): It is a pleasure to sum up for the Opposition this afternoon, after what I think we can all agree has been a rather lively debate. It was opened by my hon. Friend the Member for

[Mr. Mark Francois]

Tatton (Mr. Osborne), the shadow Chief Secretary, who provided a robust advocacy of our new value for money proposals, of which more again in a moment.

That was replied to by the Chief Secretary to the Treasury. It is a funny old thing, politics. He may recall that we first debated together back in 1997 in a secondary school in Wembley, I think, when I was the Conservative candidate in Brent, East, the seat neighbouring his. May I compliment the right hon. Gentleman on his consistency? He had a particular debating style back then, and I hope that he will not mind me saying that it has not altered much even to this day.

May I correct the right hon. Gentleman on a couple of points? With regard to the depth of our research, Gershon, which he prayed in aid, is a 60-page report, of which only some 10 pages are specifically about savings, whereas we have published all the results of our research on a website. At Prime Minister's questions earlier today, the Prime Minister quoted, in detail, from our report on the website. If there is enough detail in there to satisfy the Prime Minister, perhaps the Chief Secretary and the Financial Secretary should take it on board.

There is a great problem with the new deal. We have 1.1 million people in this country under the age of 25 who are now not in employment, education or training. The new deal has failed those young people. The acronym for that group is NEET. I have to tell the Chief Secretary that Labour's record on the matter does not seem very neat to me.

I hope that I do not misquote the hon. Member for Yeovil (Mr. Laws), but he said that the James report was extremely helpful and detailed. He also said that the costings are perfectly legitimate. We welcome that acknowledgment from the Liberal Democrat spokesman of the depth of work that has gone into this process. The hon. Gentleman admonished us gently on the list of 168 quangos that we would abolish, pointing out that some are regional bodies that crop up a number of times. That is because the Government have balkanised a number of national organisations in their obsession with a regional agenda; Sport England is just one example. It is not our fault that the Government did that, and in abolishing those organisations, we obviously have to act regionally, which adds to the total.

Mr. Laws: Since the hon. Gentleman is trying to sum up the debate and cite all the comments that have been made, may I ask whether he agrees with the hon. Member for Grantham and Stamford (Mr. Davies), who described certain parts of the James report as bizarre and muddled?

Mr. Francois: No, I do not agree with all of that. I shall discuss my hon. Friend's contribution in a moment, but first let me ask the hon. Gentleman whether he agrees with what I understand his hon. Friend the Member for St. Ives (Andrew George) said on BBC Radio 5 Live in a debate at lunchtime today: "Trust us, we will put your taxes up."

The hon. Member for South Ribble (Mr. Borrow) spoke about reaching a threshold beyond which people in Britain simply are not prepared to pay any more tax. I have some sympathy with his argument; unfortunately, he was unable to tell us how the Labour party will then fill the Chancellor's black hole. I put to him the point made by Mr. Stephen Lewis, an economist at Monument Securities, in *The Guardian* of 3 December:

"It is one thing for a chancellor to miss his borrowing target because economic conditions have let him down. It is quite another when the error occurs despite the economy performing in line with his expectations. The only conclusion then to be drawn is that the public finances are out of control."

I invite the hon. Gentleman to think carefully about that.

My right hon. Friend the Member for Horsham (Mr. Maude) delivered a thoughtful speech, as one would expect from one of his experience in these matters. I take it that he would be in sympathy with the comment in *The Sunday Times* of 16 January that

"according to Labour's version of things, economic stability and success did not start until after May 1, 1997. That is wrong. Low inflation was well established before Blair was elected, and the current record run of growth began in 1992."

The hon. Member for Birmingham, Hall Green (Mr. McCabe) made an entertaining contribution in which, in effect, he rewrote Labour's election slogan to say, "After seven years and billions of pounds, things have got ever so slightly better." He treated us to the views of his notional constituent, Jim, and some of his experiences. I suggest to him that, under the Labour Government, in addition to what the hon. Gentleman told us, Jim's family have had to endure 66 tax rises, probably cannot register with an NHS dentist, and have probably been burgled twice in the past five years. Jim is now struggling to find the money to pay the tuition and top-up fees for his children, which the Labour Government promised him he would never have to find.

Perhaps on our behalf the hon. Gentleman will forward to Jim a copy of *The Economist* of 15 January, which contains an article intriguingly titled, "Boasters", with the subtitle, "The dubious self-congratulation on Labour's campaign posters". The article concludes:

"The economy has certainly been doing better in the past few years than it was doing earlier. But the turning point was not in 1997, when Labour took office, but in 1992, when the Conservatives adopted an inflation target."

I say to the hon. Gentleman, please pass that on to Jim with our compliments and invite him to vote Tory next time.

To my hon. Friend the Member for Grantham and Stamford (Mr. Davies) I say only that he has a long-standing interest in certain matters and he has expressed concern, but I assure him that any savings found in the Department for International Development are to be reinvested in the Department, so the amount of money going to international aid will not decrease under our proposals. In fact, it will most assuredly increase. However, he has experience of those matters and if he would like to come and discuss them with Front Benchers, we would be delighted.

Lembit Öpik: I request clarification. The hon. Gentleman will be aware that the shadow Secretary of State for Wales, the hon. Member for Leominster (Mr. Wiggin), said in the most recent sitting of the Welsh Grand Committee:

"the block grant—will not be touched by any changes in funding."

When the Secretary of State challenged him by asking

"is the hon. Gentleman saying that he has a unique exemption for Wales from the shadow Chancellor's £35 billion-worth of cuts and that Wales will be completely immune to those cuts?"

the hon. Gentleman replied:

"The block grant is immune."—[*Official Report, Welsh Grand Committee*, 7 December 2004; c. 11.]

Will the hon. Member for Rayleigh (Mr. Francois) confirm that and say why Wales is to be excluded from the Conservatives' strategy?

Mr. Francois: I can most assuredly confirm that under our plans Wales will receive precisely the same amount of money that it would from the Labour Government under their plans. There is no difference. In return, may I point out to the hon. Gentleman that Gladstone, whom his Front-Bench spokesman mentioned, once wisely advised leaving money to

"fructify in the pockets of the people"?

Forty Liberal Democrat tax rises would make that impossible.

In the two minutes or so that I have left to speak, I wish to make the point that a great deal has changed in the past seven years. In 1997, all the talk was of prudence and of the Labour Government never repeating their predecessors' mistake of taxing and spending and getting into financial trouble. Now we find that most of the major economic forecasters—the Organisation for Economic Co-operation and Development, the International Monetary Fund, the Institute for Fiscal Studies and the ITEM Club—agree that the Chancellor has a burgeoning black hole in his finances, to the point where, if Labour was somehow re-elected, the consequence would be massive tax rises to try and fill it.

I conclude, as my hon. Friend the Member for Tatton started, by asking the Financial Secretary which taxes Labour would put up to fill the black hole. Would it put 2p on the basic rate of income tax, would capital gains tax be levied on principal properties, would VAT be imposed on food, or would there be a 10 per cent. increase on national insurance contributions to blow away the upper earnings limit once and for all, as many of us have suggested the Chancellor has long wanted to do?

The British people will have a clear choice at the general election. They can vote for a high-spending and high-taxing Labour Government who would almost certainly raise taxes to fill their black hole, or they can vote for a Conservative Government who have identified £35 billion of savings, of which £23 billion would be reinvested in public services, £8 billion devoted to filling the black hole, and £4 billion returned to the people in tax cuts. That is a clear choice for the people of this country. They can have tax and spend socialism with Labour, or value for money under the Conservatives. I am confident that they will choose the latter, and I commend our motion to the House.

3.51 pm

The Financial Secretary to the Treasury (Mr. Stephen Timms): In 1997 Britain's public services were in a state of crisis. For years, all the energy of Government had been focused on spending cuts. The view was being spread that the time for public provision was past and that the way of the future was cuts and privatisation. This week, we discovered that the Tories have learned nothing in the eight years since.

In 1997, everybody could see that the public services faced enormous challenges. There had been growing demands but inadequate investment, and new pressures but old answers from the Tory Government, who were unable to provide the resources to meet the new challenges. Many people believed the Tory propaganda that high-quality public services were incompatible with a successful modern economy. They thought the Tories were right that the only way forward was cuts and privatisation, that there was no alternative and that public provision was doomed to underinvestment and decline.

In the eight years since 1997, we have proved that the Tories were wrong. We have shown and the British people have seen that rising investment to rebuild our public services has gone hand in hand with the strongest economy that any of us can remember. Between 1979 and 1997, the UK was the least stable economy in the G7 except for Canada, with all the problems for the British people that were caused by boom and bust. Since 1997, we have been the most stable economy in the G7, bar none, and we have benefited from unprecedented investment in services.

As a consequences, we see better results in our schools—more children doing well at 11 and at GCSE. There have been more than 28,000 more teachers since 1997, there is more equipment in classrooms, school buildings have been repaired and refurbished, as my hon. Friend the Member for Birmingham, Hall Green (Mr. McCabe) and others pointed out, and there are more resources for higher education and colleges. For the first time in their careers, many people in education are confident that they have the resources they need to deliver in the circumstances of modern Britain.

In the health service, the number of people waiting more than six months for in-patient treatment is down 78 per cent. since 1997, and the number waiting more than 12 months is virtually nil; it was 30,000 in 1997. Waiting times in accident and emergency departments are down. There are 77,000 more nurses, 19,000 more doctors and more in training than ever before.

Crime rates are down 30 per cent. since 1997, and there are 14,000 more police officers. Police numbers are at record levels, and there are already 4,500 community support officers. As a senior police officer in my constituency told me before Christmas, the Labour Government have given him and his colleagues for the first time in his career both the powers and the resources to do the job that Britain needs. That has been the value that we have delivered for taxpayers' money. Britain does not want to go back to the bad old days of cuts and underinvestment. Instead, we need to build on the historic improvements that we have seen in the period since 1997.

Mr. John Randall (Uxbridge) (Con): On the question of value for taxpayers' money, can the Financial Secretary assure me that the Treasury will give detailed scrutiny to the unfolding financial scandal of the Paddington health campus?

Mr. Timms: I am certain that those who are following that development will give it the scrutiny that it needs.

[Mr. Timms]

The progress that we have made has been because of, not despite, the remarkably successful, prudent stewardship that the economy has benefited from since 1997—inflation down, interest rates at historic low levels, and unemployment today lower than at any time under the Tories. From the day the Tories were elected in 1979 until the day they were ejected in 1997, unemployment was never as low as it has now been for the past four years. Who wants to go back to 3 million unemployed?

Mr. Quentin Davies: The hon. Gentleman talks about good stewardship. How was it that the National Endowment for Science, Technology and the Arts gave away £7.3 million and incurred administrative costs of £5.9 million? Is that good stewardship?

Mr. Timms: I hope that I will have the opportunity to comment on what the hon. Gentleman said about the James review. He made some interesting points. He praised some parts of it and spent rather longer criticising other parts of it, describing one as bizarre. He spent some time on the James report. We have seen the PowerPoint presentation available on the Conservative party website with 174 slides, 12 of them identical referring to the James review of taxpayer value and accompanied by a rather fetching photograph of Mr. James. I hope, for the sake of the Conservative party Front-Bench spokesmen, that there is the detail behind that PowerPoint presentation that a work of that kind requires. We gathered from the Front-Bench spokesman that the Conservative party will not publish that detail, and, indeed, callers to Conservative central office on Monday were told that it would not do so because that would give too much ammunition to the party's critics, which is probably absolutely correct.

Independence for the Bank of England, the symmetric inflation target, the golden rule, the sustainable investment rule—

Mr. Davies: Will the Financial Secretary give way?

Mr. Timms: No, I will not give way again.

That framework has delivered not only unprecedented stability, but the resources for investment, long overdue and desperately needed under the Tories, delivered under Labour. We now need to build on those achievements, to maintain the investment and to reap the benefits for Britain—

Mr. Davies: On a point of order, Madam Deputy Speaker. Can you discover whether something is wrong with the microphone system in the Chamber? I intervened, at the Financial Secretary's invitation, to ask a question a moment ago. He took the question, but appears not to have heard it.

Madam Deputy Speaker (Sylvia Heal): That is not a point of order for the Chair.

Mr. Timms: This has been an illuminating debate. We still do not know the detail of the Conservative party's plans; it has published only the bullet points. But we do know that the numbers do not add up and that they fail the credibility test. As yesterday's leader column in the *Financial Times* said:

"The tax plans unveiled by the Tories fail the credibility test."

It is worth reading a little more. It says:

"The White Queen in Lewis Carroll's *Alice in Wonderland* claimed she had believed as many as six impossible things before breakfast. The Conservatives are less ambitious in wanting voters to believe in only three".

One thing we do know is that even on the basis of those numbers that fail the credibility test, the Tories claim only that they will release £4 billion a year for tax cuts by 2007–08, but they have announced that there will be tax cuts in their first Budget after being elected. The money can come only from more borrowing, putting at risk exactly the remarkable stability in the economy that has been priceless for us over the past eight years.

We also know that the Tories want deep cuts. Even all those cuts that we can glean from what we have seen in the James review—scrapping the new deal, increasing unemployment by privatising and reducing funding for jobcentres, halving the Food Standards Agency, scrapping support for small businesses, scrapping NHS Direct, scrapping NHS improvement targets, even closing the National College for School Leadership, a particularly spiteful proposal—gets us less than half way to the cuts that they have announced that they will deliver by 2012. Yesterday, the Institute for Fiscal Studies rightly pointed out that the Conservative party has announced only one third of the spending cuts that it plans to make by 2012. We know where those cuts lead, because we have been there before, and they would be a disaster for Britain, which will be the verdict of the British people.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 147, Noes 358.

Division No. 35] **[4 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Amess, David
Ancram, rh Michael
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Bacon, Richard
Baldry, Tony
Beggs, Roy *(E Antrim)*
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brazier, Julian
Browning, Mrs Angela
Burns, Simon
Burnside, David
Burt, Alistair
Cameron, David
Campbell, Gregory *(E Lond'y)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Curry, rh David
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Dorrell, rh Stephen
Duncan, Alan *(Rutland)*
Duncan, Peter *(Galloway)*
Evans, Nigel
Fabricant, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
Gillan, Mrs Cheryl
Goodman, Paul

Gray, James *(N Wilts)*
Grayling, Chris
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Heald, Oliver
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howarth, Gerald *(Aldershot)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lansley, Andrew
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mates, rh Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Pickles, Eric
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Randall, John
Redwood, rh John
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Ruffley, David
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Streeter, Gary
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Sir Teddy
Tredinnick, David
Trend, Michael
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyrie, Andrew
Viggers, Peter
Waterson, Nigel
Watkinson, Angela
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George

Tellers for the Ayes:
Gregory Barker and Mr. Peter Atkinson

NOES

Adams, Irene *(Paisley N)*
Ainger, Nick
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allan, Richard
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Armstrong, rh Ms Hilary
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Baker, Norman
Banks, Tony
Barnes, Harry
Barrett, John
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Begg, Miss Anne
Beith, rh A. J.
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brake, Tom *(Carshalton)*
Breed, Colin
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Paul
Byrne, Liam *(B'ham Hodge H)*
Cable, Dr. Vincent
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, rh Sir Menzies *(NE Fife)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Carmichael, Alistair
Caton, Martin
Cawsey, Ian *(Brigg)*
Challen, Colin
Chapman, Ben *(Wirral S)*
Chidgey, David
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coaker, Vernon
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Corston, rh Jean
Cotter, Brian
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darling, rh Alistair
Davey, Edward *(Kingston)*
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dhanda, Parmjit
Dismore, Andrew
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Etherington, Bill
Ewing, Annabelle
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Don *(Bath)*
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Gapes, Mike *(Ilford S)*
Gardiner, Barry
George, Andrew *(St. Ives)*
Gerrard, Neil
Gibson, Dr. Ian
Gidley, Sandra
Gill, Parmjit Singh
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Green, Matthew *(Ludlow)*
Griffiths, Jane *(Reading E)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hancock, Mike
Hanson, David
Harris, Dr. Evan *(Oxford W & Abingdon)*
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Heath, David
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hinchliffe, David
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Howells, Dr. Kim
Hoyle, Lindsay
Hughes, rh Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Hughes, Simon *(Southwark N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Jenkins, Brian
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Martyn *(Clwyd S)*
Jones, Nigel *(Cheltenham)*
Joyce, Eric *(Falkirk W)*
Kaufman, rh Sir Gerald
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Kennedy, rh Jane *(Wavertree)*

Kidney, David
Kilfoyle, Peter
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lawrence, Mrs Jackie
Laws, David *(Yeovil)*
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McGrady, Eddie
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
MacShane, Denis
McWilliam, John
Mahmood, Khalid
Mahon, Mrs Alice
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Michael, rh Alun
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moore, Michael
Moran, Margaret
Morgan, Julie
Morley, Elliot
Mountford, Kali
Mudie, George
Murphy, Denis *(Wansbeck)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
Oaten, Mark *(Winchester)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Olner, Bill
Öpik, Lembit
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Pound, Stephen
Prentice, Gordon *(Pendle)*
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Pugh, Dr. John
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, Alan *(Argyll & Bute)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Rendel, David
Robertson, Angus *(Moray)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Bob *(Colchester)*
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Salmond, Alex
Sanders, Adrian
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheridan, Jim
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Stewart, David *(Inverness E & Lochaber)*
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sutcliffe, Gerry
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Teather, Sarah
Thomas, Gareth *(Clwyd W)*
Thomas, Simon *(Ceredigion)*
Thurso, John
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Tonge, Dr. Jenny
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Tyler, Paul *(N Cornwall)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Ward, Claire
Wareing, Robert N.
Watson, Tom
Watts, David
Webb, Steve *(Northavon)*
Weir, Michael
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Wishart, Pete
Wood, Mike *(Batley)*
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:-
Ms Bridget Prentice and Mr. Jim Murphy

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MADAM DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House believes that economic stability is the foundation for continued investment in public services; welcomes therefore the lowest inflation since the 1960s, lowest interest rates for 40 years and the longest period of economic growth for 200 years; further welcomes this Government's record investment in public services; believes that it is important to ensure taxpayer value for money and therefore welcomes the fact that the Government is making efficiency savings to release resources into frontline services; further welcomes the fact that Sir Peter Gershon has identified over £20 billion efficiency savings across the public sector and notes that he said that to go further than the efficiencies he identified would put at risk the delivery of frontline public services; and further believes that any proposal to make cuts in public spending would not only damage frontline public services but the economy as a whole.

Farming and Rural Communities

Madam Deputy Speaker (Sylvia Heal): I inform the ouse that Mr. Speaker has selected the amendment ibled by the Prime Minister.

16 pm

Mr. James Paice (South-East Cambridgeshire) Con): I beg to move,

That this House regrets that self sufficiency in indigenous food nd drink products has fallen significantly since 1997; supports the rinciple in CAP reform of decoupling support from production ut believes that the Government has failed to consider the nplications for the countryside and food security of its inept nplementation of this reform by creating a complex system of ntitlements and cross compliance wholly contrary to the bjective of simplification whilst failing to reduce the current urden of regulation or to enable farmers to compete with mported food not produced to British standards; laments the fact hat there are now more officials in the Department for Environment, Food and Rural Affairs than there are dairy armers in Britain, and that the workforce in agriculture has fallen by 15 per cent.; recognises that many landscape features of the English countryside were created by historic farming practices and believes that the promotion of biodiversity and care of the countryside is best achieved by a profitable agricultural industry; and considers that the continued attacks on the countryside through unacceptable levels of development, an obsession with wind farms and the closure of rural services are the actions of a Government with no instinctive understanding of the needs of farming and rural communities.

For 57 years, successive Governments of Britain have encouraged British farmers to produce more of our food. By 1997, those farmers, together with those responsible for the genetic improvement of our crops and livestock and for pesticide development, had almost tripled domestic food production. Of course, there has been a price to pay for that success. In parts of the country, the landscape changed as hedges were removed and fields were drained, and some of the early pesticides proved to have serious consequences for our wildlife. However, almost all of that stopped at least 20 years ago. Indeed, since 1980 the woodland area of this country has increased by 29 per cent. and many species of birds have recovered, although I accept that not all have done so.

There has been a further price to pay, involving money. We now have higher food prices and higher taxes. Since the early 1980s, there has been an increasing clamour from all political parties for reform of the common agricultural policy. That reform began in earnest in 1992, but the changes that came in on 1 January this year are far more dramatic. Before I address those changes, I want to reflect on what has happened in the past seven years under this Government.

After that tripling of farm output, it has now fallen by 5 per cent. Farming incomes have fallen by 8 per cent. in real terms and the labour force has decreased by 15 per cent. Self-sufficiency is down by 4 per cent. We have had an outbreak of foot and mouth disease, but we still do not know how that disease got to Burnside farm. Apparently, it arrived in swill, but there has been little or no effort to find out. Bovine tuberculosis has rocketed by 65 per cent. and is destroying our cattle herds in many parts of the country while the Government sit on their hands paralysed. Only last week, the Minister said that this did not affect dairy profitability. It was this Government who broke up Milk Marque, and the dairy industry is now on its knees with an income last year of just half the minimum wage.

Mr. John Greenway (Ryedale) (Con): I am grateful to my hon. Friend for giving way so early in his speech. Is he aware that more than a dozen major milk producers in my constituency have stopped production in the past two years? Almost every month, there is a dairy herd for sale. On self-sufficiency, we have a balance between sugar production and sugar consumption in this country. Does he agree that that should be the target for any negotiations on the reform of the sugar regime?

Mr. Paice: I am sure that virtually any Member who represents a rural constituency will be able to tell a similar story about the decline of dairy herds. It is happening across the country. Of course, all of us understand that things must change and, as I shall say in a few minutes, they cannot go on as they were—

Mr. Lindsay Hoyle (Chorley) (Lab): Will the hon. Gentleman give way?

Mr. Paice: In a moment.

The dramatic decline of our dairy industry poses potentially huge problems for our rural communities and the rest of the country. Later, I shall suggest measures that a Government with a real interest could take to try to improve things.

Mr. David Heath (Somerton and Frome) (LD): Will the hon. Gentleman give way?

Mr. Paice: In a moment.

I also want to touch on the issue of sugar, which my hon. Friend the Member for Ryedale (Mr. Greenway) raised, and which I had intended to raise later. He referred to it in the context of self-sufficiency. He is absolutely right that the sugar regime needs to be reformed, and I made it clear in the House last week that we accept that. That reform, however, must allow the most efficient producers and processors in Europe, which includes British farmers and British Sugar as an organisation, to compete with the less efficient producers in Europe. He referred to the fact that we only produce 50 per cent. of our requirement in this country. Traditionally, we have imported the other 50 per cent. from the African, Caribbean and Pacific countries, which puts our market roughly in balance. There is no reason why our sugar beet industry should be forced to take unnecessary quota cuts if those cuts are not first imposed on those responsible for the surpluses that are dumped on the world market.

I was extremely disappointed, and I believe that the whole sugar beet industry will have been disappointed, that when I asked the Secretary of State in the House last Thursday whether she would stand up for British sugar producers and oppose the change in the mechanism that the Commission has proposed—which would mean that quota cuts would hit British farmers unfairly, instead of attacking those who produce the surplus

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—she categorically refused to confirm that the Government would resist those proposals. That was a derogation of responsibility for the British industry.

Mrs. Gillian Shephard (South-West Norfolk) (Con) *rose—*

Mr. Heath *rose—*

Mr. Paice: I will give way first to the hon. Member for Somerton and Frome (Mr. Heath).

Mr. Heath: The hon. Gentleman is extremely fair. He knows that I and many other Members who represent dairy farming areas have spoken repeatedly about the difficulties that dairy farmers face and the loss of profitability. I had thought that he entirely agreed on that, and I think that he has indicated that he does. I am surprised, however, to read that one of the proposals in the Conservative party's James review is to recover the entire costs of the Rural Payments Agency from hard-pressed farmers. How will that help dairy farmers in my constituency?

Mr. Paice: I am not often fair to Liberals, and perhaps that will teach me a lesson for being so. The short answer is that the hon. Gentleman has misunderstood the proposal in the James review, which is that the whole of the Rural Payments Agency should be outsourced. The responsibility for managing the whole framework of payments is ridiculously expensive and complicated, and I shall refer later to the bureaucracy that is now involved. That needs to be outsourced, and it will be.

Mrs. Shephard: I had thought that my hon. Friend was going to be fair to everyone else, and now he is just being fair to me, for which I am grateful. I want to refer back to his remarks on sugar. It is one thing, of course, for the Government, as the Secretary of State apparently did in the House last week, to stand by while the sugar industry goes to wrack and ruin, but it is quite another not to plan some kind of strategy for the future of those farmers who, in the past, have successfully grown sugar beet. Will my hon. Friend comment on what might be put in place so that the land could still be farmed and people still profitably produce a crop, in the light of the Government's total inaction?

Mr. Paice: Yes, my right hon. Friend is absolutely right to stand up for sugar producers in her constituency and across the country. It is a very important crop, both in rotational terms, for example biodiversity, and, as I said earlier, in relation to food security. What we must do is reform the sugar regime to allow, wherever possible, the less developed and ACP countries to continue to send their sugar into the European market at a slightly higher price than they would otherwise get on the world market—or there is no advantage to them in doing so—but at the same time allow our producers to continue if they are efficient enough to do so.

We all accept that there must be an element of price cutting, although nothing like the percentage originally proposed by the Commission. That would mean a number of producers going out of business, particularly in some of the high-cost European countries. The Commission should be working with those countries on a restructuring programme to remove their quotas from the system. If the sugar quotas of the high-cost producing countries were cancelled, the need for any further quota cuts would diminish dramatically. If cuts are needed they should, as I said earlier, be imposed on those responsible for the surpluses that are being dumped on the world market and are destroying the sugar trade for other producers. I hope that that is helpful to my right hon. Friend.

Mr. Hoyle: Obviously, the hon. Gentleman is right—dairy farmers are struggling all over the country. Part of the problem is that a fair price is not being paid by the supermarkets. The processors are holding the price down, and it is continually being pushed down. That is a major barrier to the success of the dairy industry. What we should be doing is seeking a way to ensure a fair farm-gate price, which would enable the dairy industry to survive. I remind Ministers that we should have more meetings with supermarket representatives and put more pressure on them. Does the hon. Gentleman agree with that?

Mr. Paice: I have a lot of sympathy with that, but I hope the hon. Gentleman will forgive me if I do not go into much detail now because I want to deal with the whole issue of supermarkets later.

Paddy Tipping (Sherwood) (Lab): The hon. Gentleman mentioned the James review. Will he confirm that it recommends cuts of £894 million in the DEFRA budget, £112 million in the Rural Payments Agency budget—that cannot be achieved merely by outsourcing—and £47 million in the Environment Agency's budget, when we ought to be cleaning up the environment and tackling pollution? Those are big cuts that will affect front-line services. The hon. Gentleman has got a cheek calling for this debate today.

Mr. Paice: What the Government seem to have completely overlooked in the James report—probably intentionally—is that it is not just about cutting bureaucracy, although that is critical. It issues a challenge: it asks whether Government are doing things that Government should not be doing, and whether by doing those things they are imposing extra costs on farmers and every other sector of society.

The hon. Gentleman mentioned the Environment Agency. I know that he takes an interest in such matters. He should go and talk to all the farmers in his constituency who are constantly afflicted by inspectors for this, that and the other, many of them from the Environment Agency, imposing new rules and regulations that will not actually help to improve the environment. The hon. Gentleman and I agree about the need to do everything possible to improve the environment, but that causes unnecessary extra cost, which is what we are trying to weed out of the system.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): Will my hon. Friend give way?

Mr. Paice: I hope that my hon. Friend will allow me to make a little more progress.

Behind all the failings that I have described has been a very regrettable attitude from the Government. My hon. Friend the Member for Ryedale mentioned food security, which is perhaps best put in context by a statement issued by DEFRA at the time of the 2003 royal show. DEFRA said

"National food security is neither necessary nor is it desirable."

That, I think, underlines the absence of Government thought processes when it comes to the importance of farming and food production.

It is not just a case of the direct farming issues that the Government have neglected and the damage that they have caused to the countryside. The motion refers to other issues, including the erosion of the green belt and the absorption of villages into our conurbations, while the Deputy Prime Minister's proposals could mean the building of another 1.2 million houses on our greenfield sites. Some 58 per cent. of rural households have no regular bus service, and bus journeys outside London have declined. Our woods and forests and our timber industry have also declined. Funding for private woodlands stands at just over £18 million, compared with more than £300 million for state sector woodlands.

Mr. Mark Todd (South Derbyshire) (Lab): Will the hon. Gentleman give way?

Mr. Paice: In a moment.

The Government are obsessed with wind power as the sole source of renewable energy, even though it would leave a huge environmental footprint on the countryside. Yet they have done virtually nothing to promote the real contribution that the countryside could make to renewable energy through biofuels and biomass. The 20p per litre reduction in duty on biofuels is simply not enough to trigger the industry, notwithstanding the Government's commitment to achieving 0.3 per cent. of fuel from renewable resources this year. That figure has to be increased or supplemented by a renewables obligation. On biomass, there has been a deafening silence for the past seven years—until the setting up of a taskforce just two months ago.

Mr. Clifton-Brown *rose—*

Mr. Henry Bellingham (North-West Norfolk) (Con) *rose—*

Mr. Todd *rose—*

Mr. Paice: I give way first to the hon. Member for South Derbyshire (Mr. Todd).

Mr. Todd: The hon. Gentleman and I have talked many times about rural issues, and he will concede that we often agree on them. He mentioned bus services in rural areas. In South Derbyshire in 1997, 17,000 passengers were carried on community transport, which in essence serves the rural parts of my area; now, 72,000 are carried. Perhaps that experience is reflected more widely, or perhaps my area is unique.

Mr. Paice: That is not reflected more widely. I shall not dispute the figures for the hon. Gentleman's constituency as one would expect him to know better than others about such matters, although that is not always true of certain Members. The national statistics clearly show a considerable decline in the overall distance travelled by buses and in the number of passenger miles travelled outside London.

Mr. Clifton-Brown: I declare my interest in this subject, as listed in the register. Does my hon. Friend agree that part of the problem in farming today is DEFRA Ministers' lack of understanding of how the industry works? They have come up with one of the most complicated schemes that could possibly be imagined for the single farm payment—the historical and regional systems mixed together—and they have still to come up with the final details. Yet crops need to be planted urgently, within the next few weeks.

Mr. Paice: My hon. Friend is entirely right and I hope to discuss that issue in due course.

Mr. Bellingham: Is my hon. Friend aware that British Sugar has put in a planning application for a bioethanol plant to be installed in the beet factory in the constituency of my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard)? British Sugar has made it clear that if the duty differential were more favourable and sensible, it would make such planning applications in respect of all its factories.

Mr. Paice: I am grateful to my hon. Friend for reminding me that, as he rightly says, British Sugar has put in a planning application for a bioethanol plant. However, it has made it clear in public statements that such applications are dependent on further Government action to ensure viability as far as possible. As I said earlier, the simple 20p duty reduction is not enough on its own. Further surety is needed and the Government have more than one option: another duty reduction or the introduction of a renewables obligation on fuel retailers. If we are to develop bioethanol and, even more urgently, the biodiesel sector, which is wide open to exploitation if the market can be created, we need to be certain that such a market will exist in a few years' time, not just tomorrow.

In the past seven years, we have witnessed a catalogue of neglect of, and disdain for, our rural communities and values, as my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) suggested. Yet now the countryside faces its biggest economic change since 1947. Let me make it absolutely clear that the Opposition entirely endorse the principle of decoupling support from production, but very few people—be they farmers, politicians or commentators, let alone the general public—fully appreciate the scale of the change taking place. As my hon. Friend has just said, the Government's introduction of the new arrangements has been a shambles. They have introduced an extremely complicated, hybrid scheme without really understanding the complexities of the situation. The entitlement rules have been trickled out over the past few weeks, right up to 1 January when the scheme commenced.

Many of the rules are still unclear. For example, many farmers traditionally lease land for the growing of one crop, usually a root or other vegetable crop on a rotational basis, from different farmers. They still do not

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understand whether they get the entitlement or whether the farmer who owns the land gets it. It is likely that the entitlement will fall down the middle, because neither party will satisfy the 10-month occupancy rule. That is one example of the ridiculous and absurd situation that has arisen.

Instead of a simple system of payments linked to the environment, we have a system that leaves some people farming without a payment and others not farming but receiving a payment. Only a Government ignorant of what farming business is really about could have introduced such a scheme.

Mr. David Drew (Stroud) (Lab/Co-op): I admit that it is a spatchcock of a proposal, but the difficulties arose because even the NFU was greatly split over it, let alone the other farm organisations. It could be argued that the Government could have shown greater leadership, but the proposals were bound to upset someone. Does the hon. Gentleman agree that we have the best of what could have been proposed?

Mr. Paice: The term "a spatchcock of a proposal" deserves to be put in bold capitals in *Hansard*. It sums up the situation. It is not the fact that we have a hybrid scheme that is the problem—it is the fact that the Government announced it in March 2004 without any understanding of the complexities of sorting out who would be entitled to it and how it would work. Despite all that, they insisted on introducing the scheme on 1 January. They fundamentally misunderstood the task on which they had embarked and that is what has caused the shambles, the dismay and the distress felt by so many farmers.

Andrew George (St. Ives) (LD): I entirely agree with the hon. Gentleman's analysis that the competence of DEFRA is in question, given that it made an announcement without at the same time making clear its assessment of its impact. Nor did the Department properly lay out how it would overcome the obvious complexities involved in delivering the new scheme. What is the view of the Conservative party and which options, of those available to the Government, would it have chosen?

Mr. Paice: The hon. Gentleman is not keeping up with the real world in which we live—

Mr. Ian Liddell-Grainger (Bridgwater) (Con): The hon. Gentleman is a Liberal Democrat.

Mr. Paice: Well, I suppose it is hardly surprising, then.

The fact is that the Government made their decision back in March and, like it or not, we are lumbered with it. That is the system that we are going to get. If the hon. Gentleman wants to ask me questions about what we would do, he must also say what the Liberal Democrats would do if, by some unbelievable circumstance, they were to be able to do something. As always, of course, the Liberal Democrats can say what they like because they know that they will never have to do it.

Kali Mountford (Colne Valley) (Lab) *rose—*

Mr. Paice: I will give way to the hon. Lady and then I will move on.

Kali Mountford: I am grateful to the hon. Gentleman for his generosity in giving way. I have listened carefully to his speech so far and am fascinated by it. However, will he now move on to such schemes as the rural bus partnership scheme, the rural train partnership scheme, the village renaissance scheme and the market towns initiative? Will he discuss village schools and other aspects of our rural communities?

Mr. Paice: I intend to move on, and I am grateful to the hon. Lady for inviting me to do so.

As a result of the complexity of the scheme that we have just discussed, it was widely believed that the Rural Payments Agency could not make any payments until well into 2006, despite the target of December 2005. We know now, because it was announced literally two or three hours ago by the agency, that that will be delayed until February 2006 at the earliest. That is a direct result of the complexity of the system that the Government introduced. We need a specific undertaking by the Government that those delays will be recognised and, if necessary, an interim payment made. The cash-flow implications for farmers of the 14-month delay originally envisaged between their last integrated administration and control scheme payment and their first single farm payment were bad enough. If the gap is going to be 16, 17, 18 months or more, the cash-flow implications are entirely unacceptable.

Cross-compliance and what farmers have to do to receive payments are another feature of the new system. Farmers must obey a huge list of statutory requirements. That sounds fine—of course people should obey statutory requirements—but farmers will pay twice. They will pay the penalty for breaking the statutory requirement and they will also lose their single farm payment. The Minister must explain the justification for that double whammy. Perhaps the starkest example of the Government's gold plating of regulation is to be found in the rules on cross-compliance, including the rules on good agricultural and environmental condition. Annex IV of the European regulation defines good agricultural and environmental condition in just 13 short lines. The Government's statutory instrument consists of 700 lines. Last week, farmers received three books on cross-compliance, including 36 pages on soil management and 44 pages on habitat and landscape. That illustrates more than anything the Government's contempt for farmers and their complete failure to understand that farmers know far more about managing their land than Labour Ministers.

What is going to happen now? It is widely believed that the reforms will result in a further fall in domestic production. That matters, because increasing imports of food have a damaging effect on the environment, both through global warming and through the destruction of

local environments where food is produced. Equally important, we face massive increases in world demand for food because of population growth and prosperity, which will result in an estimated 50 per cent. increase in grain demand by 2025. In the short term, there is a risk of disease, and we have already seen how avian flu in south-east Asia has suddenly removed supplies of poultry meat from our market.

The Government do not seem to care. They have not made any assessment of how much production will fall or what will happen to our land when it is taken out of production. How much of our food manufacturing industry will move abroad if raw material is not produced here? That sector employs another 500,000 people. Some people estimate that hundreds of thousands of acres of grass will not be cut or grazed. No doubt, the Government will point to the entry level scheme, which is fine as far as it goes. However, £30 per hectare will barely cover the costs. Ministers say that the scheme requirements are little more than things that most farmers have been doing anyway. They are right, but farmers have being doing those things as part of profitable farming. If there is no profit in farming and no margin in ELS payments, they will not be done.

Mr. Clifton-Brown: My hon. Friend is quite right—we should produce food in this country. However, we have one of the worst balance of payments records that we have ever had. In the dairy sector alone we have a £700 million deficit. Is that not a disgrace, as we could produce that food ourselves?

Mr. Paice: It is indeed. I shall take one more intervention and then I shall move on to that very point.

David Burnside (South Antrim) (UUP): I hope that the hon. Gentleman will cover in his speech the greatest capital cost to be borne by farmers over the next year—the implementation of the nitrates directive. In Northern Ireland alone, for 22,000 farmers managing 32,000 farms it will cost £237 million, with only £30 million available through the farm waste management scheme. That massive capital cost will be imposed on farmers throughout the United Kingdom during the next year. What will the Conservative party recommend that the Government do, or what will the Conservatives do if they are in power to alleviate that massive capital cost to our farming communities?

Mr. Paice: I was not intending to refer to the nitrates directive, simply because there are so many things that I want to mention, but the hon. Gentleman is right to raise that point. It is another huge imposition on farmers. The answer is clear: we must press for much longer derogations from the directive and ensure that its implementation does not cause the massive capital cost to which he refers. That relates to my overall point about the gold-plating of regulations.

We need a real vision of what we want from our farming industry and of what we expect in the countryside, but that vision is woefully absent from the Government. In contrast, the Conservatives believe that domestic food production is important and that our rural environment is best cared for by working with the farmers who occupy it. As a result of the changes, some farmers may decide to stop farming and others will refocus their business on leisure, but for those who continue the most important feature of change is the need to get nearer the market and to produce for the customer. For some, that will mean direct sales to the consumer, and for others it will mean adding value either individually or co-operatively—but for all of them it means being able to compete. British agriculture cannot continue to carry the superstructure of regulatory cost that it has borne in the past. Nor can it compete with producers who do not face those regulations.

What is the point of our egg industry becoming salmonella-free if we then import Spanish eggs stuffed full of the disease? What is the point of encouraging farmers markets if our abattoirs are being forced to close because of red tape? Last week, I visited a butcher who has his own small slaughterhouse—exactly the sort of enterprise that we all, on both sides of the House, want to support. He is licensed to kill, cut and retail meat, but if the animal belongs to someone else—perhaps another farmer—who wants to sell the meat at a farmers market, he is not allowed to kill and cut the beast, even though it would be going through exactly the same process as the meat he sells in his shop. A Minister with any real concern, and who wanted farmers markets to develop, would sort out such an absurdity.

What was the point of our healthy livestock being slaughtered during the foot and mouth epidemic when the Government do nothing to stop the illegal importation of perhaps 11,000 tonnes of meat, 200 kg of which even DEFRA accepts may be infected with the disease?

What about food labelling and the deceit that allows, for example, pigmeat grown abroad to be labelled British because it is sliced in this country, or that allows food to be labelled organic even if it is not produced to British organic standards? The Government have repeatedly refused to change the law, but we will—not just for farmers, but for consumers. We are not advocating trade barriers, but when we import food that is produced using methods that are banned in this country, the consumer has a right to know. Our farmers could then exploit our higher environmental and welfare standards, but without honest labelling they are operating with one hand tied behind their backs.

Market strength is also an issue. As we have heard already, many farmers complain about the power of the supermarkets. We must face up to the fact that supermarkets have provided a massive increase in the diversity of food available to the consumer—of course, that is in all our interests—but they dominate the buying chain. For example, 65 per cent. of liquid milk is sold by supermarkets. Clearly, the code of practice is not worth the paper that it is written on. It needs to be much tougher and transparent. The Office of Fair Trading is carrying out an audit—it would be wrong to presume its conclusions, which I await with interest—but, clearly, the present situation is entirely unacceptable.

Farmers need to work together. There is a need to change both the corporate and tax treatment of our farm co-operatives to enable them to become more effective and to make vertical integration possible, but even that is of little help if co-operatives are not allowed to become the serious players that they are not only elsewhere in Europe, but in the United States, Canada, Australia and New Zealand. All the other countries that

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advocate the free market allow their co-operatives to grow and become serious players in the industry. The Government's forcible break-up of Milk Marque has placed a large black cloud over the future of the co-operatives' ability to represent farmers' interests in the marketplace.

The countryside has many functions. It is home to 23 per cent. of our people. It produces 64 per cent. of all our food. It is the landscape that attracts millions of visitors each year—a landscape that has evolved over the centuries, much of it as a result of past farming practice. The people who live there have many interests and many careers, but they are being short-changed by the Government. They receive lower levels of service, fewer buses, fewer police officers and less standard spending assessment funding than their urban counterparts.

Agriculture is at the centre of our rural communities and it is far more important than its contribution to our gross domestic product suggests. It underpins many other rural businesses and much of our rural tourism, as well, of course, as the whole food industry. The Conservative party believes that agriculture can have a prosperous future producing food and energy crops, while caring for and constantly improving our rural environment.

Rural areas can again become thriving places to do business, rather than just dormitories, but they need a Government who have an instinctive understanding of rural life and of the interaction between its many parts, rather than a Government who impose their urban views. The Labour Government have shown that they cannot provide that—we can and we will.

4.52 pm

The Minister for Rural Affairs and Local Environmental Quality (Alun Michael): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"welcomes the Government's commitment to farming and rural communities set out in the Strategy for Sustainable Farming and Food and Rural Strategy 2004; applauds the Government's commitment to invest more than £500 million over three years in sustainable food and farming; commends the reforms of the Common Agricultural Policy secured by the Government in June 2003, which will be implemented at the earliest possible opportunity in 2005; congratulates the Government's record on public service delivery in rural areas; further commends the £239 million allocated over six years to 2003–04 through the Rural Bus Subsidy Grant for new and improved rural transport services; further applauds the increase in the resources available for regional development agencies to regenerate the rural economy; further welcomes schemes in place to provide affordable housing in rural areas; praises the efforts to retain the rural post office network; further congratulates the Government's action to protect and enhance the rural environment; and calls upon the Government to continue pursuing a strategy based on long term policies to regenerate British agriculture, improve rural services and revitalise the rural economy as a whole."

Today's debate gives us an opportunity to rebut the doom and gloom purveyed by the Conservative party. The future of our rural and farming communities is enormously important for this country, and this is a timely opportunity to remind the House of the considerable progress that we have made since 1997 in ensuring that those communities have a sustainable future—a future that would be taken from them if the cuts envisaged by the Conservative party were made.

The current CAP reform—the most significant change in the subsidy regime for 30 years—presents real opportunities for farming. Our economists estimate that, on average, farm incomes could rise by about £100 million relative to what would happen in the absence of the single payment scheme. Current farm incomes have shown welcome signs of recovery in the past four years and are now 80 per cent. above the low point in 2000.

It is clear from the opening speech that the Conservatives want to return to subsidised farming, instead of developing the sustainable future for farming that we are helping to bring about. The Conservative threat to the rural economy is spelt out in the James report. The Opposition propose a massive cut of £112 million in the budget of the Rural Payments Agency by 2007–08, just when the agency is about to deliver the new single farm payment. How much good will that do for farmers? As the RPA made clear today, it hopes to make the single farm payments in February 2006. Our promise is that that will be done as early as possible in the payment window. Of course, payments depend on a complex IT system, whose delivery timing depends on when the fully detailed information comes from European Commission. There is now massive investment in the streamlined system, and in following years farmers will get their payments at the earliest date within the payment window. The cuts envisaged by the Conservative party—it is not just outsourcing, so let us have none of that nonsense—would wreck the programme that is being designed and delivered in partnership with farming organisations.

The Conservatives want to save £47 million in the Environment Agency, but that would severely hamper its work to support businesses, especially small and medium-sized businesses, in acting against illegal polluters, such as fly-tippers, and pursuing deregulatory measures. Barbara Young, the agency's chief executive, made those points clear yesterday.

The figures keep changing in the drip feed of the James report, but the Conservatives must answer two questions, although the hon. Member for South-East Cambridgeshire (Mr. Paice) failed to do so in response to hon. Members' interventions. First, how can they claim to care about farming and rural areas if they are prepared to slash services, as the James report recommends? Secondly, how have they done their sums? Let us have chapter and verse on how they have worked out their figures. What do they intend to cut, and from where? We know only the total figures, which appear to be ill judged and dangerously threatening to the countryside. Such information is even not detailed on their website, and the hon. Gentleman could not answer those questions when he took interventions. Let us hear from Opposition Front Benchers exactly where the cuts will fall, or they will stand condemned by their silence. Our farmers need to know.

David Taylor (North-West Leicestershire) (Lab/Co-op): Does the Minister intend to deal with the future of the Food Standards Agency under the proposed cuts? The scale of its activities would be halved, which would

have a serious consequential effect on public health and almost certainly a knock-on effect on international confidence in the quality of British food.

Alun Michael: My hon. Friend makes an important point. The Conservative party is dangerously slack in its approach to not only farming, the rural economy and the environment but the health of the nation.

Let us get the facts straight about the rural economy. It is vital that we do not confuse rural communities with farming communities. Farming remains at the heart of many communities, but it is by no means the dominant economic activity in the countryside, and we must keep that in perspective.

The majority of rural England is thriving. It is true that unemployment has fallen by 24 per cent. in urban areas since 1997, but it has fallen by 26 per cent. in rural areas. Rural communities generally are benefiting from the same economic prosperity as urban communities, with low unemployment and interest rates—the lowest for 40 years—and real growth of nearly 3 per cent. a year since 1997. The rural economy has benefited from our national economic success, not least because businesses of all types increasingly feature in rural as well as urban areas. Employees in our rural areas are more likely to work in sectors other than farming. Some 17 per cent. work in manufacturing, some 15 per cent. work in wholesale and retail, and some 9 per cent. work in hotels and restaurants, while only 7 per cent. work in farming.

Farming is now well placed to respond to the changes that it faces. Through the strategy for sustainable farming and food, the industry, consumers and the Government are working together to help farming to increase its competitiveness and reconnect with the market. I shall return to farming issues in a moment.

Rural services have been enhanced since 1997 due to the Government's concerted action. Let me give a few examples. The number of schools closing in rural areas was running at 30 a year between 1993 and 1997, but that has come down to an average of six a year since 1997. We are supporting more than 2,000 bus services a year through the rural bus subsidy grant. Such support would be slashed under the Conservatives, yet they have the cheek to talk about fewer buses. We are providing £150 million a year to support the rural post office network, so the number of closures has fallen from more than 300 a year to about 100 a year. As we promised, there are now more than 100 primary care one-stop or mobile units providing care to people in rural areas.

We are neither satisfied nor complacent because many rural communities face real challenges and problems. Farmers are not having an easy time—I shall address some of the problems in a moment—but let us debate these real issues on the basis of evidence, rather than myth and misrepresentation, which was all that we heard from the hon. Member for South-East Cambridgeshire.

Mr. Liddell-Grainger: The Minister is aware that many of the jobs being created in the countryside are seasonal with a very low cost base. That is what is happening in places such as Exmoor. Does he not understand that we are looking for a long-term commitment and long-term jobs, not seasonal jobs?

Alun Michael: The hon. Gentleman is wrong. There are low-paid jobs in urban and rural areas, but the Government's success in delivering broadband access to rural areas is giving a wide range of businesses that previously could operate only in urban areas the opportunity to operate in rural areas. That is happening because there are many intelligent entrepreneurs in rural communities—men and many women who are opening the sort of business that has never before been seen in rural areas. I say to the hon. Gentleman, with great respect, that he has not connected with the type of change that is occurring in our rural areas.

Mr. Hoyle: Is it fair to say that the rural economy has benefited from the minimum wage, without which there would have been a lot of poverty in rural areas? It was the Labour Government who took that brave stance.

Alun Michael: My hon. Friend is absolutely right. In addition, the working families tax credit has helped people in rural areas. There is a problem of low pay in such areas, but if the Labour Government are removed and a Conservative Government arrive, my God, it will affect the low paid and the unemployed in rural areas, and many now in employment will be unemployed.

Mr. Andrew Turner (Isle of Wight) (Con): Will the Minister address a specific issue affecting livestock producers—the disposal of fallen stock? Livestock producers in my constituency face a difficulty in that only one organisation tendered to dispose of fallen stock under the Government's fallen stock scheme—the Isle of Wight Foxhounds. As I am sure he is aware, that group is likely to have far less income after 19 February and it will therefore be unable to continue to cross-subsidise the disposal of fallen stock. No other organisation is willing to dispose of fallen stock on the Isle of Wight. What reassurance can the right hon. Gentleman give farmers in my constituency on that important matter?

Alun Michael: We are aware of the specific fallen stock issue on the Isle of Wight and we are addressing it. The Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Exeter (Mr. Bradshaw), might have more to say when he winds up the debate.

Mr. Gray: The Minister is enjoying himself at the Dispatch Box. Before he moves on from the minimum wage, will he tell us whether he would abolish the agricultural wages boards, as we propose under the James report?

Alun Michael: Certainly not. We believe that the AWBs continue to support the wages of agricultural workers, and I am sure that all of them will take note of the threat to their income that the hon. Gentleman offers.

Kali Mountford: A year ago in one ward in my area, the lowest wage was £18,000 a year and the highest was £30,000; now, the lowest is £22,000 and the highest is £35,000. Our economy is growing, but we want to be able to plan the local economy. We are working with the local regional development agency, Yorkshire Forward,

[Kali Mountford]

on a market towns initiative. Are there any plans to give further support to such initiatives, so that rural communities such as mine can have planned development?

Alun Michael: Yes, indeed, there are. Following on from the announcement made in July by my right hon. Friend the Secretary of State, we are massively increasing the money that we put into RDAs and devolving finances to them, so that they can work with partners in their region and drill down to local areas, particularly rural areas, to support initiatives that we believe will create not only a healthy economy—we already have that in rural areas—but a vibrant one.

Mr. Adrian Flook (Taunton) (Con): Earlier, the Minister defended Government spending as though it were a sacred cow, yet in the next few years his Government will spend £1 billion and more on culling cattle that have bovine tuberculosis. Why does he not accept that he will fail Somerset's dairy and cattle farmers in the coming years by not resolving the problem of bovine TB?

Alun Michael: We want to spend less and waste less money on unproductive measures. My hon. Friend the Under-Secretary of State will pick up on that point, which comes within his portfolio, in his winding-up speech.

I want to make one point clear for the Opposition, because it is about time they got in touch with reality. They portray people in rural areas as being not only disadvantaged but dissatisfied, yet the facts tell a different story. When we asked rural people whether they were content with services in rural areas, more than 90 per cent. said they were satisfied with their GPs, NHS dentists, opticians and pharmacists; 79 per cent. were satisfied with the quality of education provided locally; 85 per cent. were satisfied with the location of bus stops and train stations; and 85 per cent. were satisfied with the quality of child care offered. We can hardly argue with what the rural public—our customers—tell us. Opposition Members seem to talk to each other. The satisfaction expressed by rural people is the result of 180 Labour MPs doing so well in representing rural and semi-rural communities, or perhaps I should say that that figure is now 181.

Let me outline some of the key steps that the Government are taking to address the issues facing farming and rural communities. My right hon. Friend the Secretary of State outlined to the House her vision of sustainable rural communities and a fair deal for rural England when she launched the rural strategy 2004 on 21 July. Sustainable rural communities, and in particular affordable housing, are at the heart of our five-year strategy, because it has been raised with us by Labour Members who represent rural communities. I shall come to housing later.

The rural strategy encompasses all three pillars of sustainable development. First, it is about economic regeneration in rural areas. To help farm and other rural businesses be competitive and diversify, the Government are allocating an extra £2 million this year to improve business advice. We are also increasing the amount of money from DEFRA in the regional development agencies' finances from £46 million to £77 million next year.

Secondly, the strategy is designed to tackle rural social exclusion wherever it occurs and to provide fair access to services and opportunities for rural people. We are pushing more of our money down to the community to help communities have a place to meet, an effective representative body such as a parish council, and access to a community development worker. Thirdly, the strategy is about protecting and enhancing the natural environment. We are creating an integrated agency to address the natural environment, biodiversity and our landscape in a co-ordinated way so as to get maximum social and economic advantage from its work, as well as benefits in terms of conservation and biodiversity.

Whitehall does not always know best, so we are devolving decisions and funding closer to the people—the public, the customer, the community. Last October we launched a series of rural pathfinders across the country to pilot innovative ways of joining up service delivery at the local level, with local authorities taking the lead role. That counts: it matters to people. Yesterday I met representatives of the rural pathfinders from every region of England, and the enthusiasm with which they are responding to the opportunity is palpable.

Mr. Paul Tyler (North Cornwall) (LD): Does the right hon. Gentleman recall that Ministers believed that Whitehall knew best in the matter of right to buy? When the Conservatives were in power they forced rural local authorities to sell their council houses: Will the Minister produce some action, rather than words, on the matter by enabling planning authorities in areas such as mine in Cornwall to constrain the amount of housing stock that goes into the second homes market by planning control?

Alun Michael: Indeed, in the planning field we are helping rural housing authorities and those who are concerned to provide housing and to make sure that it is sustainable, not just a house for the short term. I will return to the matter.

I mentioned the enthusiasm about rural pathfinders in every region of England. It is also important to note that we are carrying out a major streamlining of our funding stream, from over 100 separate streams of funding to three broad funding programmes. That will make it simpler for everybody. To test whether the new arrangements are making a difference and to promote best practice, the Government are setting up the New Countryside Agency, whose role will be to assess how much impact Government policy and action are having. It will focus particularly on disadvantage and provide a powerful independent voice for rural people, advising Government, collecting views and experience across the regions and helping us to drive up quality and delivery at the local level.

It is interesting to note some of the issues that the Opposition did not raise. It is important to get the facts about crime in rural areas straight. Crime across the United Kingdom has fallen by 30 per cent. since 1997, and that is one of the Government's biggest achievements. People in rural areas are much less likely to experience burglary and vehicle-related theft, and rural adults are much less likely to suffer from violent crime than their non-rural counterparts.

Furthermore, fear of crime has remained considerably lower in rural areas than it is in urban areas. The British crime survey clearly shows that anxiety and worry about crime is less in rural areas compared with urban and inner-city areas, but we recognise that crime and the fear of crime continue to be a major concern for many people in rural communities. Only yesterday in the Standing Committee on the Clean Neighbourhoods and Environment Bill we agreed clause 1, which embeds environmental damage into the work of the local crime and disorder reduction partnerships. The Conservatives are so out of touch that they think that graffiti, litter and fly-tipping are urban problems that do not matter in rural communities. They are wrong.

Mr. Paice: Who said that?

Alun Michael: Has the hon. Gentleman not read the Opposition's reasoned—or rather, unreasoned—amendment last week in which, in opposing the introduction of the Clean Neighbourhoods and Environment Bill, they said that the Bill focuses predominantly on urban issues while neglecting rural areas: their mistake, not ours.

Paddy Tipping: Clearly, the Opposition have forgotten. I need not remind my right hon. Friend that there were just two contributions from the Conservative Benches, neither of which addressed not only environmental crime but the equally important issue of animal welfare.

Alun Michael: My hon. Friend is absolutely right, and his was one of the 18 excellent contributions that we heard from Labour Back Benchers. In contrast to the Opposition, which is interested only in slash and burn in public services, the Government recognise the different needs of rural and urban communities. The rural policing fund has therefore been maintained for 2005–06 at £30 million, and I am pleased about that, not just as the Minister with responsibility for rural affairs, but because as a Home Office Minister I commissioned the research that led to that money, which addresses the particular needs of the 31 forces with the most widespread populations.

When listening to rural residents, one theme dominates—the need for affordable housing that will allow their children, and people with a connection to the area, to stay in their community. The hon. Member for North Cornwall (Mr. Tyler), who intervened on that point, was absolutely right, as are those of my hon. Friends who have raised the matter time and again. The Government have responded to that call through a number of measures. Before Christmas we announced specific measures to help local planning authorities allocate sites in villages for 100 per cent. affordable housing. That complements the rural exception site policy, which will be continued and which allows affordable housing to be built on sites that would otherwise not be available for development.

Through the Housing Corporation's rural programme we are funding sites that would otherwise not be available for development. Our target is 3,500 homes for the two years from 2004–05, but we are on target to exceed that number by producing over 4,000 affordable homes in rural areas.

But providing sites is only part of the story. In 2003 and through the Housing Act 2004, we introduced measures that retain a supply of affordable housing in rural areas by placing restrictions on the right to buy. In many villages where the supply of new social housing is limited, exercising this right has led to a diminished pool of affordable housing, and there are some who have exploited the scheme by selling on quickly to people with no local connections. That addresses precisely the point made by the hon. Member for North Cornwall. Hence, we introduced restrictions on the resale of right to buy homes in the seven national parks, the 37 areas of outstanding natural beauty and the 35 areas designated as rural for this purpose.

In addition, my right hon. Friend the Deputy Prime Minister recently gave local authorities scope to reduce the council tax discount on second homes from 50 per cent. to a minimum of 10 per cent. Authorities can use this money for affordable housing or for other services in line with local priorities. In Devon, for example, this income is being used to build more affordable housing where it is needed in rural areas. These are real measures helping real people. My own belief is that shared equity is the model that we should support and encourage with as much enthusiasm as possible, because such models of co-operative housing provide the opportunity for people to benefit from affordable housing and to get on the first step of the ladder of ownership, and allows that unit of affordable housing to be recycled to the next family that needs assistance.

Mr. Liddell-Grainger: The Minister is aware that North Yorkshire national park made an announcement on the subject a couple of days ago, and Exmoor national park has been examining the issue for some time. If the national parks go down that route, will the Minister look to support their aspiration to keep low-cost housing for local people, and will the Government put a bit of backbone into the policy?

Alun Michael: We will certainly examine the details of the national parks' proposals, and I am delighted that they are engaging with the issue, which, as the hon. Gentleman knows, is an important matter in our national parks, as it is in many other rural communities. The issue is important in the national parks because of the need to limit developments that damage the local environment. It is possible to go too far, and we must examine the detail of the proposals, but I am happy publicly to encourage the engagement of national park authorities with the issue.

Mr. Huw Edwards (Monmouth) (Lab): Will my right hon. Friend commend the shared equity scheme introduced by Lovells, the private house developers, in conjunction with Gwerin housing association? I welcomed the first tenants to use that scheme in Monmouth. Does the Minister think that such a model could be applied to rural areas as well as to small towns?

Alun Michael: I note my hon. Friend's point. I am not aware of that specific scheme and would like to hear more about it. It sounds like the sort of scheme that we should encourage.

Turning to farming, the strategy for sustainable farming and food remains our key policy. It is a comprehensive, long-term plan for the future

[Alun Michael]

development of the industry. It identifies how we can all work together to help farming to improve its economic performance and individual farmers to access the right training and advice for them, and to improve farming's impact on the environment. It is designed to support the farming industry through the current period of change and leave it well equipped to succeed in the future. The UK farming industry has a major role to play in meeting this country's food requirements, providing an attractive, well-managed countryside and contributing to the rural fabric, and we want a viable and sustainable farming industry that can do that.

The implementation of the strategy is underpinned by our approach to the groundbreaking deal on common agricultural policy reform in June 2003, which committed us to seeking the best and the most sustainable approach to farming not only in England, but in the UK generally. Decoupling—breaking the link between production and subsidies—is the main prize from the CAP reforms, and it will allow the industry to shape its own future. In other words, the industry will depend on its own initiatives rather than on the Government.

The real benefits that farmers can gain is why the new system will be delivered this year, which is the earliest possible date. The reforms and the delivery arrangements, which are based on a flat-rate area system, will help to reconnect farmers to their markets and will be free of many of the bureaucratic rules associated with production-linked subsidies, benefiting not only farmers and consumers but society as a whole.

Overall, the CAP reforms will deliver significant economic benefits to not only farmers, but everyone in the UK. The benefits are estimated at £400 million to £500 million a year at present exchange rates. Payments under the new single payment scheme will depend on meeting a number of environmental, animal health and welfare and food safety standards. Those measures are expected to improve the environmental performance of British agriculture. In addition, we have decided to introduce an additional rate of national modulation in England, which will provide additional funds for agri-environment schemes and, by protecting the countryside and its environment, a more sustainable farming industry.

We have adopted cross-compliance measures, which contain a mixture of common-sense farming practices and support for existing legislation, to bring all farmers up to the same minimum level. In addition to pillar 1 of the CAP, we are putting in £1.7 billion through the England rural development programme over the period 2000–06. Help is being provided on a variety of matters, including diversification, skills training and marketing. That means that we are making available £240 million a year compared with £56 million a year between 1993 and 1999, which is a fourfold increase in support.

Mr. David Kidney (Stafford) (Lab): On red tape, which was mentioned by the Opposition spokesman, does not it follow that with one single farm payment there is one single system for applying for forms and one single system for inspecting farms? Is not that better than the 10 or so schemes that we had before?

Alun Michael: My hon. Friend is right—I am certain that that improvement will indeed benefit farmers.

Andrew George (St. Ives) (LD) *rose—*

Alun Michael: I will give way to the hon. Gentleman, then I must conclude.

Andrew George: The Minister will no doubt have noticed that under the Conservatives' proposals their changes in outsourcing the Rural Payments Agency will, according to the James review, be

"funded by a handling charge based on subsidies paid".

Can the Minister reassure farmers who are anxious about late payment? Under the simplified system, if there is a late payment to farmers beyond 1 December this year, will farmers receive payments up-front where possible, and if it is not possible, will they be compensated for their loss of earnings as a result of delayed payment?

Alun Michael: Let me make it clear to the hon. Gentleman that we have said that we will pay as early as practicable within the payment window, which, as he knows, runs through to June of the following year. We want to bring the payments forward to the earliest possible point within the payment window. In the first year, that depends partly on the timing of information that comes from the European Commission. The hon. Gentleman, with his knowledge of the farming industry, knows full well how complex some of the delivery arrangements are. We try to make them as simple as possible for our farmers, but there are complications involved. The benefit will be our undertaking to make payments as early as possible within the payments window, which is not just for next year but for future years. We are in discussion with the industry, the banks and others to try to ensure that the situation is understood, and there is a promise to deliver. Farmers will know where they stand in the course of the coming months, well in advance of the December to June period. It is currently estimated that the payment will be made in February. It will be as early as we can possibly make it within the payment window, not only next year but in each successive year.

Of all the rural issues, I turn finally to one that has been much debated in this House—hunting with dogs. The Countryside Alliance, with Conservative Members following in its footsteps, has consistently misrepresented hunting as a town-versus-country issue, which it is not, and claimed that it shows that we are out of touch, which we are not. What I have said demonstrates the Government's achievements for the countryside. The facts speak for themselves.

Let me set out the main points of what is in truth a minor issue for rural communities. Members of Parliament, having voted 10 times in 10 years for a ban on hunting—

Mr. James Gray (North Wiltshire) (Con): The Minister seems to be fixated on hunting. Why is he

talking about hunting when the motion does not refer to it, my hon. Friend the Member for South-East Cambridgeshire (Mr. Paice) did not mention it and it has not been raised at all during the debate? Why is he so fixated on banging on about it?

Alun Michael: Is the hon. Gentleman now embarrassed by his opposition to the Hunting Bill and his comments during its Second Reading? I turn to this issue particularly because Conservative Members have made a lot of song and dance about its impact on the rural economy. They have banged on about it time and again over many months. Indeed, the hon. Member for North Wiltshire (Mr. Gray) might like me to quote some of his comments. He said:

"There is no question but that the Bill will result in the deaths of perhaps 30,000, 40,000 or 50,000 dogs as soon as it comes in."

He went on to say:

"The same applies to many horses. They can more easily be reused for hacking, but many lower-grade horses are kept exclusively for hunting."

He also said,

"they are putting 8,000 people out of work."—[*Official Report*, 15 September 2004; Vol. 424; c. 1365–1368.]

In recent days, we have seen a statement from the Countryside Alliance indicating that we should not expect to see such a removal of dogs. Therefore, there is no threat to the people who are employed in that activity. It is interesting to see how that has disappeared from the agenda of Conservative Members.

Having shot the fox of the hon. Member for North Wiltshire, clearly to his great embarrassment, I want to say that I am pleased that the debate has been on farming and rural communities. The priority is to make the best use of the money that is invested in agriculture to reform farming and give it a sustainable future. The problems will not be solved overnight but we are working on them with the industry, farmers and those who represent rural communities and business in our rural areas.

Farming remains at the heart of many communities, despite being only part of the rural picture. We must balance our priorities for farming, for those who live in rural communities and for the nation. That is the Government's commitment and we will continue to deliver it.

5.25 pm

Andrew George (St. Ives) (LD): I congratulate the hon. Member for South-East Cambridgeshire (Mr. Paice) on using precious time to debate an important subject that will affect many hon. Members. He raised some important issues in his presentation.

I agree with the hon. Gentleman about many matters but I was somewhat disappointed, given the fanfare of publicity with which the Conservative party announced the James review, that he failed to answer a question from my hon. Friend the Member for Somerton and Frome (Mr. Heath). He asked why, if the Conservative party was so concerned about red tape and cost to the industry, overhead No. 63 in the James committee's main proposals about the Department for Environment, Food and Rural Affairs stated that a Conservative Government would deliver the outsourcing of the Rural Payments Agency,

"funded by a handling charge based on subsidies paid".

That will clearly be a cost to the industry.

Mr. Paice: Let me make it clear that that does not mean a charge on farmers, as the hon. Member for Somerton and Frome (Mr. Heath) implied. *[Interruption.]* I shall tell the Minister exactly where the money will come from. The outside agency will be paid a percentage of the total payment. At present, as the Minister knows, running the RPA costs 4 per cent. of the total payments. We believe that it can be done for half that amount. That money would go to the outside agency.

Andrew George: I am grateful for that clarification. If the charge is based on the company outsourcing, I am sure that farmers will be relieved. However, the proposal requires clarity. If we find from studying further Conservative announcements that that is genuinely the intention, we will welcome it.

Mr. Kidney: The hon. Gentleman is performing a great service, because we ought to get to the bottom of the matter. I do not believe that the hon. Member for South-East Cambridgeshire (Mr. Paice) has provided a reassurance that we should accept. There would be a saving only because the taxpayer would stop paying for running the RPA. It is neither here nor there whether the total running cost is 4 per cent. or 2 per cent.—a fraction of the amount of subsidies paid. The important question is who will foot the bill. The hon. Members for St. Ives (Andrew George) and for Somerton and Frome (Mr. Heath) discovered that the bill would pass to farmers, who will be flabbergasted by that, because the money would come out of their subsidy. They would get the money net of the payment instead of the total payment that they receive now.

Andrew George: I am worried that the reassurances that the hon. Member for South-East Cambridgeshire gave may unravel. That is why it is vital that the Conservatives make further clarifications and announcements. Perhaps they will try to clarify the issue further when winding up. At least they have taken on board the fact that there will be anxiety in the farming community if they propose such additional charges.

Mr. Paice: I think that the hon. Gentleman accepts what I said earlier: there is no intention that the payment for the outside agency would come from the payments made to farmers. It is simply a question of reducing the totality of the cost of running the Rural Payments Agency, and we would pay the outside agency a percentage of the total, which is exactly how the RPA is funded at present. Farmers will not pay.

Andrew George: The hon. Gentleman says that I accept his earlier explanation. Of course, I do not accept everything that he says, because he earlier claimed that the Liberal Democrats were not in Government. Of course, we are in Government in Scotland, where we are implementing common agricultural policy reform. The Agriculture Minister, Ross Finnie MSP, is highly

[Andrew George]

thought of in the farming community, and his implementation this year of the single farm payment north of the border is going ahead very steadily indeed. So the rather cheap remarks made by the hon. Member for South-East Cambridgeshire earlier were quite misplaced. Given that he is defending himself in this way, I worry that he doth protest too much. Perhaps, later on, we shall find out exactly what the Conservatives are proposing. Farmers will be concerned that their proposals would involve top-slicing the payments due to farmers, and I hope that we shall receive further clarification on that as the debate proceeds.

We could spend time going over the Conservatives' pre-1997 record on farming, but it probably is not worth while doing so now. I have just put down a sheaf of papers containing reminders of BSE and of the fact that we have IACS forms twice as long as those of other European nations because the Conservatives were gold-plating directives in the UK. I hope to keep my contribution to the debate relatively short, because I know that many others wish to speak, and I want to cover issues relating to farming and to DEFRA's management of schemes. I also want to look at the impact of the power of supermarkets on the market—as the hon. Member for South-East Cambridgeshire rightly did—and to follow up some of the Minister's remarks on affordable housing in the countryside. These issues are all important to people living in rural communities and to those involved in farming.

I and others have expressed concern that DEFRA Ministers appear to act as managers, observers and bystanders in regard to what is happening in rural areas, and that whenever we want a clear vision of the Government's rural policy, we often find it out from Lord Haskins in another place. I am not alone in dubbing him the real Secretary of State, the one who is providing leadership and vision for the Department. However, when he comes out with controversial quotes such as

"Farms will get bigger, and that's a good thing",

he rather undermines the Government's claim to be fighting for all farmers. It is inevitable that farms will get bigger over time, as they always have done, and that farmers will leave the industry; but the fact that that seems to be welcomed by the Government is a matter of concern to those involved in farming. Farmers have been leaving the industry at an astonishing rate, and since Labour came to power, they have been doing so at a higher rate than at any time since the second world war.

Mr. Liddell-Grainger: The hon. Gentleman is making a valid point. That is certainly happening in Cornwall. People are selling up in London and elsewhere and buying an enormous amount of farmland. This is forcing farmers out because they cannot afford to pay for the land. Does the hon. Gentleman agree that the Government have not addressed this problem in any way?

Andrew George: I agree that there is such a trend in many parts of the country. Farmers, especially dairy farmers in my part of the country and the hon. Gentleman's part of the country, are leaving in droves. The Government's figures demonstrate that the number of dairy farmers has fallen from 37,300 in 1997 to below 25,000. Approximately a third of all dairy farmers have gone out of business since 1997, which is clearly a catastrophic change to the countryside. In many parts of the country, farmhouses are being sold, and a small piece of privatised green belt, if we want to call it that, is being bought with it, possibly for hobby farming. Often, if not always, a change of culture also happens.

The nature of traditional farming communities is changing. The traditional farming community that I remember, from my boyhood and upbringing in the far west of Cornwall, was one in which farmers were engaged in the local community and in which people could walk the land, irrespective of where local footpaths were. That was an interchange between the local community and farmers because they were very much one and the same. In many rural areas, a lot more private signs are being put up, with a lot more effort to try to redirect footpaths away from areas that have traditionally been walked in the past, as new people come in who do not understand country ways. That is sending shockwaves through many rural communities and causing unnecessary and unwelcome conflict in the countryside. I agree with the hon. Member for Bridgwater (Mr. Liddell-Grainger) on that point.

The Minister rightly raised the issue of CAP reform. This is the biggest and most momentous challenge to rural communities. On balance, the Government made the right decision. Inevitably, we will have to move towards area payments at some stage, and the transitional approach taken by the Government gets the balance pretty much right. The decision taken north of the border, for example, was right for Scotland.

It is important, however, that the CAP and single farm payments be delivered with greater transparency and simplicity. With that greater transparency, and perhaps with freedom of information, I predict that taxpayers and the general public will ask increasingly what benefit they are getting from the payments being made to farmers, given that they will be less complex.

Mr. Gray: The hon. Gentleman has a charming way of being all things to all men, all the time, on almost every subject. A moment ago, he said that Ross Finnie was doing well in Scotland with historic payments, and now he says that the approach in England is also going well. Can I ask him one quick question? In the unlikely event that he were the Secretary of State—let us imagine that for a moment, although I grant that it is not very likely—what would a Liberal Government have done?

Andrew George: Perhaps the hon. Gentleman needs to go on a learning curve: devolution results inevitably in differing policy in different places. The decision taken for Scotland was therefore right for the Scottish situation and the Scottish farming industry. He asks about what I would do were I Secretary of State—I think that he and I have about the same chance of becoming Secretary of State, and our chances are possibly greater than the Conservatives' chances, given their performance in the polls. I have already told the House that I think that the Government got the balance pretty much right. Certainly, over a seven to 10-year

period, we need to move towards area payments. Clearly, in a 10 to 15-year period, it would be absurd and bizarre to find ourselves in a situation in which farmers were being paid on the basis of what they were doing 10 or 15 years previously, and they could be doing anything at that stage. There must be a transitional period. We must move in that direction and, inevitably, Scotland and Wales will have to do the same—but at their own pace, in their own way and on the basis that they make decisions at a time that suits them, rather than their being instructed by our Parliament.

I want to remind the Minister of issues that have undermined the confidence with which the farming community views the Department. There is concern, which I think he has picked up, about the date when farmers will receive their payments under the single payments system. Confidence is not encouraged by the way in which the Government handled the release of Jim Dring's report on Burnside farm in Northumberland at the beginning of the foot and mouth epidemic in February 2001, or the way in which they handled video evidence that arrived in the public domain towards the end of last year—by the lack of knowledge of that evidence, and the fact that it was not involved in the various foot and mouth inquiries that the Government commissioned.

Nor is the industry encouraged by the way in which the Government handled the regulations replacing the Animal By-Products Order 1999, failing to lay them before the House in 2003. They promised to implement a fallen-stock collection scheme in January 2004. Following further announcements, we were eventually presented with a scheme that is only just getting off the ground now, some 18 months after it was required to start. That too does not help.

I said that I would say something about the power of the supermarkets. As the hon. Member for South-East Cambridgeshire pointed out, the supermarkets can dictate market conditions to farmers. Their actions, and those of their chief executives and buyers, are of course entirely rational: if they do not put pressure on their suppliers and their competitors do, they will be at a disadvantage. We need a code of practice that distinguishes clearly between appropriate use of power and inappropriate abuse of power in the market.

The Government have not paid proper attention to that, although they have instituted inquiries. Since the first inquiry conducted by the Competition Commission in 2000, there have been others conducted by both the commission and the Office of Fair Trading. We are still awaiting the publication of the OFT's audit of the food supply chain, undertaken since the OFT reported on the operation of the supermarket code in February last year. The farming industry, however, wants action rather than further inquiries and reports. It wants a system with real teeth to ensure that farmers have a say, and can have an impact throughout the food chain.

According to yesterday's Tesco report, over the Christmas period Tesco had 29 per cent. of the grocery market. When the OFT examined the role of convenience stores last year, it concluded that if there is a discrete market in convenience stores there will be a discrete market in supermarkets as well. That gives Tesco about 40 per cent. of the supermarket sector—a much larger proportion of the market than was held by Milk Marque in 1999, a year before the Government decided to abolish it. At that stage, so far as we could tell, Milk Marque had some 29 per cent. of the market.

Mr. Hoyle: There is clearly great concern within the farming industry about the way in which supermarkets react, and the hon. Gentleman is right: the problem is that when one supermarket drives the price down, its competitors have to continue to do so. What does he believe is the answer to ensuring fair play and a fair price at the gate for farmers, so that they can have a livelihood and make a profit? At the moment, that is not happening.

Andrew George: I entirely agree with the hon. Gentleman and we Liberal Democrats would deal with the problem by, for example, strengthening the code. Far too much emphasis is placed on the use of rather grey terminology, as evidenced in appearance of the word "reasonable" throughout the document. That is very good for lawyers and the courts, but the use of much more measurable language would help those using the system.

The OFT's report of last February made it clear that farmers, farmers' co-operatives and suppliers are not using the code for fear of retaliation. We need a food trade inspector—operating within the OFT—to undertake in various sectors of the food supply chain the kind of proactive inquiries that the OFT currently undertakes, in order to identify and investigate malpractice, perhaps on the basis of information provided by the industry.

Mr. Clifton-Brown: I commend to the hon. Gentleman the supermarket Waitrose, which has direct contracts with British dairy farmers and beef producers—indeed, it makes great play of such contracts—so that its sources can be fully validated. If other supermarkets were to follow the same line, the British agricultural sector would do much better.

Andrew George: That is an interesting point. I have heard from all the main supermarkets and all claim that they are treating British farmers fairly. I do not mind the hon. Gentleman's using his intervention as a commercial for a particular grocer, and it is true that Waitrose has a good name in many circles in British farming. Even so, this is a major issue across the piece, and it needs to be tackled.

Mr. Edwards: I have been following the hon. Gentleman's argument carefully and I commend the efforts that he and others have made to strengthen the supermarket code of conduct. Has he seen the recent report in the *Farmers Guardian* suggesting that the National Farmers Union, Farmers For Action and supermarkets such as Tesco are collaborating in order to get a 3p increase in the price of milk, half of which could be distributed to the producers and half to the processors? Does he commend such an initiative?

Andrew George: I certainly do. The last time Farmers For Action protested and erected blockades outside dairies and supermarkets, it achieved a 2p increase in the price given by Asda, at least, but as the hon. Gentleman well knows, it is questionable whether that benefit

[Andrew George]

reached the farmers themselves. Moreover, one cannot simply establish and peg farm gate prices on the basis of protesting every six months or so; we have to have a system that is robust in the long term. That said, I entirely agree that the current farm gate price for milk is unsustainable for the majority of dairy farmers. Action is required to ensure that they are given fair protection in the market, which does not happen at the moment.

I do not want to take up too much of Members' time, but before I finish I want to emphasise a couple of points about housing. I was concerned on behalf of many people living in rural areas following the publication last year of the Kate Barker review. It pointed out that, as the hon. Member for South-East Cambridgeshire argued, large swathes of the countryside could be swamped by many thousands of houses, the prices of which would be well out of the reach of people on rural incomes, and that there is a consequent need for affordable housing in such areas. However, such an observation does not help people living in the countryside. As long as green land in the countryside has a hope value, people will not put their land forward for affordable housing. The only way to provide affordable housing in the countryside is to have strict control on planning and development. I know that that sounds counterintuitive, but that is the only way to deliver the exception—land that is strictly for affordable housing. Those sites will not be made available if we take a flexible, laissez-faire approach that allows any sort of development. People will not make land available for affordable housing in the countryside because they would inevitably receive a fraction of the value that they would otherwise receive for an unfettered permission to develop.

The Minister raised the issue of, and responded to concerns about, second homes. That issue certainly affects my constituency and many others. I campaigned for many years for the removal of the 50 per cent. council tax discount for second homes, introduced by the Conservatives, which meant that many millions of pounds was spent subsidising the wealthy when many thousands of rural folk on low incomes could not even afford a first home. I am grateful that the Government have mostly removed that unfairness by allowing local authorities to charge 90 per cent. of the tax for second homes. In my constituency, we have recently cut the ribbon on a new scheme—as the Minister said—which was entirely funded by the money raised by the additional charge on second homes.

Is the Minister aware, however, that in April next year his colleagues in the Treasury will introduce, through the self-invested personal pension, a system that will permit those with personal pensions to invest that money in second homes? I received some reassurance after a debate last year that that would not happen, but all the financial press is now promoting the scheme and saying that the tax advantages of the scheme could be used for the purchase of second homes. Many people in areas with large numbers of second homes will be very concerned by the potential impact of that scheme, and I hope that the Minister will consider it further.

5.52 pm

Mr. Robert Jackson (Wantage) (Lab): This is my maiden speech as the first Labour Member of Parliament for Wantage. I am delighted to make it on a subject that is important in my constituency—farming and rural affairs. It is agreeable, I must say, to be sitting in my old place on these Benches.

I am just old enough to remember the respect and affection in the farming community for Tom Williams, the agriculture Minister in the post-war Attlee Government and the architect of the deficiency payments system, by which farming in Britain was supported until 1973. As the European common agricultural policy evolves away from the market intervention methods of the classical CAP towards the same sort of direct payments system adopted by Tom Williams, I observe that British farmers have nothing to fear and much to hope for from a Labour Government.

I first learned to understand the importance and value of farming in British life when I served as a Member of the European Parliament between 1979 and 1984. Ever since those days, I have had regular meetings every few months with local farmers. Indeed, I had such a meeting only last Friday night. I developed a custom of writing a detailed letter to the Minister after each of those meetings, reporting on them and posing the questions that had been raised. I am glad to say that I have always had full and helpful replies to those letters from Ministers in both Conservative and Labour Governments, and I thank my right hon. Friend the Minister for his contribution to that.

In a fit of over-excitement in the mid-1980s, I even wrote a pamphlet with the dramatic title, "From Boom to Bust? The Implications of CAP Reform for British Farming." As so often in politics, the reality turned out to be less dramatic. The argument that I want to make today is that while much has changed in the 25 years in which I have been interested in the polities of the rural economy much has also remained the same. There is strikingly little correlation between changes of Government and the trends, both positive and negative, in the rural economy.

For instance, no one involved in farming would deny that the biggest single factor in its changing fortunes is the exchange rate between the pound and the euro or, before its introduction, the ecu. That has not been mentioned in our debate, but a farmer once told me—correctly, I think—that it is always 60 per cent. of the problem. There is no doubt that British farming would benefit from stabilising that critical exchange rate by joining the euro. Perhaps I may be allowed in passing to make the party political point that the Labour party wants Britain to join the euro, while on this issue, as on so many others, I am afraid, the Conservatives have settled definitively into the politics of "Neverland". The fluctuating pound-euro rate is a critical factor that has continued to operate across the divide represented by the change of Government in 1997.

More positively, another factor of continuity is the United Kingdom's broad approach to reform of the common agricultural policy and to the wider issues of agricultural trade in the Doha round. Governments of both parties have pursued essentially the same policy of "decoupling" farm supports from production, ending export subsidies and promoting trade liberalisation.

I have always supported those policies, and I have always found that my farming constituents understood and supported the principles involved, although not necessarily the details of implementation. Both parties in government have shown a lively awareness of the special problem of British farming in the European setting—our relatively large farm-size structure. Both have sought tenaciously, as far as possible, to resist CAP reforms that are biased against the interests of larger producers.

One of the biggest changes in the rural economy since I first became involved in the late 1970s is the relative decline in farming's contribution to the total economy, which has gone down from about 3 per cent. in 1973 to 0.8 per cent. today. Again, that relative decline has continued across the divide of 1997. That is also true of efforts by Governments of both parties to promote the diversification of the rural economy, in which my right hon. Friend the Member for Oxford, East (Mr. Smith) took a particular and welcome interest when he was Minister for Employment. One of the results of the study that he carried out on the Government's behalf was the important market towns initiative. To be party political again for a moment, I wonder how many of these efforts to support rural diversification would survive a Conservative Government planning a £35 billion cut in public expenditure?

Beneath those broad continuities of policy between Governments over time there is, of course, a host of current issues that come and go. For instance, at my constituency meeting with farmers last Friday I was asked to raise four issues—farm waste disposal and the local operation of the national fallen stock scheme; the threat of bovine tuberculosis; the "Discovering Lost Ways" project, which has not been mentioned yet in our debate; and the increasing burden of regulation. I shall write to my right hon. Friend the Minister for Rural Affairs and Local Environmental Quality in detail about those issues, but I hope that the Under-Secretary will say something about them in his winding-up speech. In particular, would he comment on the fact, relayed to me last Friday, that there has been no bidder for work in my area under the national fallen stock scheme? Could he also say something about how the Government intend to grasp the nettle of bovine tuberculosis and prevent it from spreading into Oxfordshire?

Before I conclude, let me briefly address two of those current issues. There is genuine concern in the local farming community about the possible negative implications of the "Discovering Lost Ways" project. We are all familiar with the way in which existing rights of way can be abused. Indeed, I take this opportunity publicly to thank my right hon. Friend the Minister for his active engagement with the problems of abuse, by 4x4 vehicles and motor cyclists, of the great, historic Ridgeway, which runs through my constituency. I suggest that the Government go easy on discovering lost ways, at least until the new regime under the Countryside and Rights of Way Act 2000 settles down properly.

The second point is about regulation. We should remember the background. The most important events in the recent history of British farming were the emergence of BSE, followed by the foot and mouth disaster. I note in passing that in both crises the Government of the day, Conservative and then Labour, followed closely the advice given by representatives of the farming industry. Indeed, some would say that they followed that advice too closely. I have told farmers in my constituency frankly, and I say it again, that after two such disasters on their watch—so to speak—it was inevitable that farming in Britain would be subject to a barrage of regulation, both from Brussels and from Whitehall. Equally, there is no doubt, as I am sure my right hon. Friend will accept, that some of that regulation is ill thought out, that sometimes there are inconsistencies between different elements of it, and that there are all sorts of glitches in its implementation, even including, sometimes, the coming into force of schemes before the details of how to comply with them has been vouchsafed.

The Government are currently carrying out a review, aiming for a strategy for better regulation of agriculture to be published in November. I shall do what I can from these Benches to encourage Ministers to take that issue seriously, as it is currently one of the biggest bugbears in the rural community.

At the beginning of my speech, I referred to Tom Williams and the way in which the post-war Labour Government won friends in the rural community. My speech has, I think, amply shown that on the big questions of policy those with a stake in the rural economy have much for which to thank the present Government and much to hope for from them. However, as I have acquired a perhaps undeserved reputation for speaking my mind, I say to the Minister in conclusion—I am sorry to end on this note—that some of that heritage of rural good will has been forfeited by the hunting ban. Of course, it was a free-vote issue, and support for the ban and opposition to it has always been on a cross-party basis. I attended a meet of the Old Berkshire hunt at Goosey on Saturday morning where I found admiring recognition of the contributions of my hon. Friend the Member for Vauxhall (Kate Hoey) and of Bernard Donoughue and Ann Mallalieu in another place.

The story has not yet reached its denouement. The experience of Scotland has shown that it is possible for lawful riding to hounds to continue even after a ban on hunting with dogs. I am pleased that the Government are taking time for the matter to be addressed by the courts, and I note that all sorts of detail about the implementation of the policy remain to be resolved. I believe that somehow a way can be found for the honourable traditions of the countryside to be preserved, and I look forward to making whatever contribution I can from these Benches to that worthy purpose.

The fact is that the Labour party, too, has a honourable place in the annals of the countryside, which the Government, with their wide-ranging policies for the rural economy as a whole, are doing well to maintain.

6.3 pm

Mr. Peter Atkinson (Hexham) (Con): I am grateful to the hon. Member for Wantage (Mr. Jackson) for at least one thing in his speech—the support of hunting. It is a pleasure to hear someone on the Labour Benches putting forward a sensible view on that sport. I agree with him about one other thing. He mentioned Tom Williams, a formidable Labour agriculture Minister.

[Mr. Peter Atkinson]

Mr. Williams was also a staunch defender of hunting and for many years resisted attempts by Labour party members to ban it. For such small mercies, Mr. Deputy Speaker, we are grateful.

The last debate in the House in Government time on the serious issues of agriculture and farming was on 12 December 2002. It continues to be a matter of regret that dealing with something of enormous importance to this country is constantly sidelined by the Government and has to be debated in the House in short Opposition and Adjournment debates. It is wrong that the whole practice of holding a substantial debate on agriculture has been abandoned by the Government. For me and, I think, for the farming community, that reflects the Government's view of agriculture.

My hon. Friend the Member for South-East Cambridgeshire (Mr. Paice) quoted DEFRA officials saying at the royal show that agriculture was neither necessary nor desirable for this country. Those comments underline a great deal of the thinking that exists in government about the problems that face agriculture.

We have experienced one of the most dramatic changes in agriculture since the Agriculture Act 1947, and we are debating that change and all that flows from it not in a proper full-scale debate, but in a short Opposition day debate. The introduction of the single farm payment has been marked by chaos. Today is 19 January—a significant date in the life of my hon. Friend the Member for Buckingham (Mr. Bercow)—and we are well into the new year, but farmers still do not know exactly what they should do. For example, livestock farmers in my constituency in Northumberland are still awaiting a host of details about their cost-compliance arrangements, which are fundamental to some of the decisions that they must make.

Mr. John Bercow (Buckingham) (Con): I do not know how many farmers in my constituency or in the vale of Aylesbury as a whole have their birthdays today, but I can only say that I am intimately conscious of the fact that, such is the self-preservation of my hon. Friend, many people might reasonably conclude that I am 20 years older than he is.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am sure that there is general rejoicing at the birthday of the hon. Member for Buckingham (Mr. Bercow) and for the fact that his intervention today was rather shorter than the one yesterday.

Mr. Atkinson: Thank you, Mr. Deputy Speaker. The Minister looks puzzled. It is a rather private joke, but we will enlighten him with a note later.

Mr. Bill Wiggin (Leominster) (Con): I hope the Minister will be able to enlighten us. Fallen stock has been mentioned, and I am curious to find out what would happen to a sheep with an ear tag that fell into a river and was washed a long way downstream. Would the responsibility for dealing with that dead animal lie with the Environment Agency, or would it seek to trace the owner using the ear tag and get him to pay for the incineration of the dead animal?

Mr. Atkinson: That is a good question. I hope that the Minister can answer it—I certainly cannot—and it shows one of the confusions that exist.

Returning to the serious subject of livestock farmers in the uplands, we think that, according to the cost-compliance regulations, the use of round cattle feeders will not be allowed because of the danger of the excessive poaching of the ground around them. If those things are not allowed under the cost-compliance regulations, the cattle will have to go inside much earlier in the season, which will have a profound effect on the economy of those beef-rearing farms. Clearly, the farmers will have to feed their cattle inside much more intensively as a result. That is one example of why it is important that farmers know the answers as quickly as possible.

The DEFRA roadshow, which will be launched any day now, will not reach the north country until the end of March. It first arrives at Carlisle on 17 March, which is St. Patrick's day—far too late for farmers to know exactly what to do. The beef sector will continue to struggle until farmers are clear about how they can develop their herds, and to do so, they need to know the details of how the cost-compliance schemes will work.

We have touched on the dairy industry. Where I live in north-east England, we are now down to a handful of dairy herds. Most of the farmers with dairy herds have either given up and gone away or turned to other things. That is amazing in this country. One thing that God gave this country was the ability to grow grass. We are located on the west of Europe; we have a brilliant climate for dairy farming, yet we face a £700 million deficit in the balance of payments on dairy products. A serious aspect of the problem is the fact that a substantial number of the new modern products that consumers want—such things as yoghurts—are produced abroad and imported into the UK, which leaves our farmers to supply the liquid milk and cheese markets. That is nonsense because we will not be able to encourage the food processors and manufacturers that create such new products to come to this country unless we have a proper supply of milk, and we will not have a proper supply of milk if more dairy farmers simply go out of business.

The Government seem unwilling to address the crucial problem of how to make smaller dairies more economic. We need to bring the profitability of those dairies up to that of the biggest, but that will not be encouraged while dairy farmers are battered from head to foot by supermarket competition, which is endlessly driving down the price of milk to such an extent that most dairy farmers would be losing money if they properly factored their labour costs into the equation.

Bovine tuberculosis is another major crisis facing the dairy industry. The Irish have been studying the effect of badgers on bovine TB since about 1997 and have recently reported. I am sure that the Minister is aware that in areas in which there was a substantial cull of badgers, the number of herds reporting TB reactor cattle dropped dramatically. There might well be criticisms of the methodology of the Irish survey, but it is the best evidence that we currently have to suggest that bovine

TB can be controlled, albeit only with a programme of culling infected badgers. The Government stand accused of considerable complacency on the matter.

I shall be brief because I know that other hon. Members wish to speak. The Minister for Rural Affairs and Local Environmental Quality seemed to dismiss agriculture as a declining and unimportant aspect of rural life. Of course it has been overtaken by tourism and commuter jobs, but agriculture and farming still underpin the essence of rural life. The Government have a duty to maintain an important industry for the benefit of the countryside and the people who live in it.

6.12 pm

Mr. Huw Edwards (Monmouth) (Lab): It is a pleasure to speak in the debate and I am especially pleased to follow my hon. Friend the Member for Wantage (Mr. Jackson). I welcome him to these Benches and commend him on his courage for doing what many people in this country have done, especially in areas such as mine—realising that the Conservative party that they supported in the past does not represent the values that they think it should and changing the habit of a lifetime by coming over to the Labour party. My hon. Friend is welcome to speak to farmers and others in my constituency because his thoughtful contribution would be well acknowledged.

I do not agree with my hon. Friend's view on hunting. I represent a rural constituency in which there has been a tradition of hunting, but hunting is a fundamentally moral issue. I think that it is morally wrong to hunt with dogs for the purpose of sport, and remain of that view despite the fact that I fully acknowledge the need to remove foxes that are a threat to livestock and appreciate the contribution that the hunting community has made on fallen stock—that is one of the great challenges that remains.

My constituency of Monmouth is very rural. It was badly hit by the foot and mouth outbreak a few years ago, but there has since been a notable improvement in morale. Livestock prices in the beef and sheep sectors have increased, but there is no doubt that there is a continuing crisis in the dairy sector. The Usk valley used to be rich in dairy farms, but the number has diminished considerably. I commend the efforts of those who are trying to get a better price for milk producers. The Welsh Affairs Committee undertook an inquiry on prices in the livestock sector a few years ago and one of its recommendations led to the introduction of a code of practice. The code needs strengthening, however, so I commend all those who are doing their best to achieve that.

I recently met some tenant farmers in my constituency who told me that the price of raw milk is still only about 17 or 18p. They cannot make any profit from that. As tenant farmers, they face other difficulties, not least that of finding housing when they retire. Traditionally, they would have sold their stock when they ceased to trade in order to buy themselves a country residence, but that has become virtually impossible because of the price of housing in rural areas. Schemes such as shared equity schemes, which were mentioned earlier, should be encouraged. After the Housing Act 1919, clusters of council housing were developed throughout the countryside. Sadly, much of that has been sold as a result of right to buy. I was not fundamentally opposed to the policy, but I was against the failure to replenish social housing using the receipts from the scheme.

I come to the sale of woodland, an issue that has particularly concerned me recently. I commend Members on both sides of the House who have recognised the threat of the subdivision and sale of agricultural land. The hon. Members for Wealden (Charles Hendry) and for Isle of Wight (Mr. Turner) have taken up the matter. In my constituency it is the sale and subdivision not of agricultural land, but of woodland that is causing concern. As a result of the initiatives taken by the Government in England and now in Wales, local authorities have been given guidance to inform them of the scope that they have in planning regulations to introduce what are called article 4 directives, and thus ensure that they can override permitted development rights where there is a threat of the sale of woodland.

Hon. Members on both sides of the House will, as they travel through their constituencies and elsewhere in the land, have seen signs saying "Woodland for sale". I urge them to look at the website of the company selling the land so that they can see what might happen if such woodland was subdivided into small plots and sold to people who are led to believe that they can use the land for bonfire parties, parking their caravans and undertaking other activities that would not normally be acceptable in a rural area, and certainly not in an area of outstanding natural beauty such the Wye valley in my constituency.

My constituency has suffered as a result of the crisis in farming in the past 10 years. There was a time when I was summoned to angry meetings of farmers. I have not seen such meetings in recent years—I think that morale in the farming community has risen. I notice that a recent *Farmers Guardian* reported a new year and a new era of optimism, saying that there is a general feeling of optimism for the coming year throughout the industry, and that although accepting the introduction of CAP reforms on 1 January will represent the biggest challenge facing the industry for years, many look on it as a great era of opportunity. That is a more optimistic outlook for farming than is contained in the Opposition motion, which is particularly depressing and pessimistic.

The farmers in my constituency want to see new investment. I hope that we will get a new livestock market in or around Abergavenny in my constituency. That would be an important boost to the industry's infrastructure in Monmouthshire, in neighbouring areas of Wales and over the English border. Such an investment would be very welcome and I hope that the decision to invest in such a facility will be taken at the earliest opportunity.

I say to my hon. Friend the Minister that many of us on these Benches represent rural constituencies. We may take a certain moral view on hunting, but fundamentally we want to do our very best to help the farming communities in our constituencies.

6.19 pm

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I am pleased to follow the hon. Member for Monmouth (Mr. Edwards), who is one of the few sincere Labour Members who really understand farming.

[Mr. Geoffrey Clifton-Brown]

I was particularly impressed by the speech of my hon. Friend the Member for South-East Cambridgeshire (Mr. Paice). He is one of the most knowledgeable people in the House on agriculture and he made some telling points, not least of which was when he, spurred on by my intervention, criticised the overly complicated hybrid system on single farm payments that the Government are introducing. I have a table here showing that the UK is the only country introducing such a complicated system—it is even more complicated than those of Luxembourg and Sweden.

We have different systems for England, for Scotland, for Northern Ireland and for Wales. Although I concede some regional differences, that strikes me as unnecessary complication from a single Brussels directive. To introduce such complexity at a time when the way in which the Rural Payments Agency works is being reformed seems like a recipe for chaos in the agricultural industry.

Mr. Peter Atkinson: Because Scotland has adopted a different system from England, farmers in Northumberland on the border will be at a disadvantage. Initially, beef farmers in Scotland will get bigger payments and will therefore be able to pay more for pedigree cattle.

Mr. Clifton-Brown: I entirely concur with my hon. Friend's point. He has great knowledge of agriculture, and I understand the difficulties he faces living on a border between two different systems. My hon. Friend the Member for South-East Cambridgeshire held up the number of leaflets involved in this overcomplicated system. Just imagine what French farmers would do if they received so many leaflets.

In an intervention, I mentioned the balance of payments deficit in the dairy industry. The problem is that we export the cheap dairy products—milk and milk powder—and import the expensive, value-added products such as butter, yoghurt and, in particular, cheese. That is a tragedy because we should be producing those value-added products in this country, instead of which we have a £700 million balance of payments deficit in that sector contributing to this country's £33.6 billion overall balance of payments deficit. Agriculture should not be adding to that problem.

On 1 January, in a move that we broadly welcomed, the Government abolished various subsidies to the beef industry, including the over-30-months scheme subsidy. The problem is that £300 a beast in subsidy is to be taken away. When we consider that a farmer has to get £720 a beast to make a profit, we begin to see the distortion affecting the market. I am not sure how that will settle down.

I want to discuss how the Government have allowed food processing to move out of this country. Almost no pig slaughtering is left in this country because the industry has moved to Holland. A big dairy co-operative was formed in Holland recently, at a time when the Government have weakened our co-operative efforts by weakening Milk Marque's ability to maintain a broad presence in the dairy sector.

I urge the Government to support the British sugar beet industry. We produce only 50 per cent. of the sugar that we consume, so there is no case for a disproportionate cut in European Community support for our sugar beet industry.

I also urge the Government strongly to support the biofuels initiative. The 20p per litre reduction in duty is welcome, but the present position is crazy: our wheat is sent across the channel to be processed into biofuel, which is then brought back to this country. We should be helping the biofuels industry and the jobs that it can create in this country. If Wessex Biofuels could get its useful initiative off the ground, it could use 375,000 tonnes of wheat.

In the context of sustainability, we should examine the supermarkets' actions carefully. I know that the Under-Secretary is very keen on sustainability. Tesco's biofuel is produced in part using palm oil derived from trees cut down in the rain forest. It would be far more sensible to have a home-bred biofuels industry than to rely on imported products.

The Government talk about the rural economy in their amendment, but in the past seven years I have seen in my constituency, which is highly rural, the closure of several post offices. Two Crown post offices closed only the other day, and a third, in Wotton-under-Edge, is now threatened with closure. They talk in glowing terms about their rural bus subsidy grant, but although they give £300 million to all the rural areas of England and Wales, they give a £1 billion subsidy for buses in London. Where is the fairness in that?

The Minister made a great fanfare about rural housing, but the fact is that the Government are building only half the number of affordable housing units that the Conservatives were building when they left office in 1997. They have no record to crow about there. Under a Labour Government, we have the highest number of homeless people that this country has ever seen, so there is nothing to crow about there either.

Far from farmers' morale being high, as has been asserted, they are being bogged down with unnecessary paperwork from the Government. They cannot see a sustainable future. The Government need to be clear about what they want farmers to do. Farmers ask merely to make a profitable livelihood, not to be bogged down in overcomplicated paperwork.

I am grateful to be called to speak in the debate. It is useful to be able to discuss the problems of rural areas. In my constituency morale is not high, it is sinking.

6.25 pm

Mr. David Kidney (Stafford) (Lab): It is a pleasure to follow the hon. Member for Cotswold (Mr. Clifton-Brown), and it is a pleasure to follow my new hon. Friend the Member for Wantage (Mr. Jackson), who spoke earlier in the debate.

In so far as we pose in the debate the question, "Is there a future for UK farming?", I sincerely hope that the House will unite and answer that there is indisputably a future for British farming. I hope that we will work together to establish what still needs to be done to ensure that our farmers feel secure. If hon. Members will forgive me, I shall deal only with farming in my short contribution.

I begin with the CAP reform agreement last June. Surely the Conservatives accept that although in government they talked a good game on CAP reform, it was a Labour Government who secured an historic agreement that enables us to help farmers. The most important part of the agreement is the decoupling, at last, of the subsidy—the public payments to farmers—from production. The distortion of prices arising from that has caused many of the problems in farming in this country and around the world.

Now that decoupling has been achieved, we can press on with the recommendations of the Curry commission for reconnecting farming businesses with their markets. That is the important job for us to do. It will be a worrying time for farmers, having that prop taken away from them and having to focus on their markets. Our job in Parliament is to reassure them through the changes and make sure that they get to those markets. No more will there be butter mountains and wine lakes at public expense in the European Union.

In the agreement, the Governments of the member states had a choice of start dates. We chose the first possible date—1 January 2005. That is an indication of our determination to do the best for our farmers. Of course, implementation is different in England, Wales, Scotland and Northern Ireland, but that is the beauty of devolution. We should be glad of it, not disappointed.

The hon. Member for St. Ives (Andrew George) asked what taxpayers would get for their public subsidy. It is an excellent question, which now has an excellent answer. First, with single farm payments there will be cross-compliance, leading to some highly desirable public goods such as land management and the maintenance of rights of way, which are benefits to all taxpayers. With modulation and an enhanced stewardship scheme—the entry level and the higher level—we will be able to achieve much more in terms of biodiversity. I predict that growing attention will be paid to land management and flood defences. In future, conditions will be attached to stewardship schemes so that farmers can help the rest of us to avert floods such as those at Boscastle and Carlisle through the way that they manage their land upstream, so to speak.

I thank the officials at DEFRA who, at the end of last year, held a technical briefing for Members. I also praise DEFRA Ministers for that growing practice of the new Department. That briefing was the third that I have attended. In the past there were briefings on the control of illegal meat imports and on what the Government were doing about bovine TB. At the third briefing, Members were able to pursue in detail their questions about the new scheme for single payments, which I found extremely helpful.

Common agricultural policy reform did not harm the growing diversification of energy crops. In my constituency there is a very large biocrops scheme, which benefited in the past from grants from DEFRA and the Department of Trade and Industry, and will continue to benefit from payments under the single farm scheme and the set-aside scheme, as a result of the agreement. All those are benefits.

I want to say a word about how what we do for our farmers affects the rest of the world. At the moment, we are all paying a lot of attention to the help that rich countries can give to poor countries. Everybody knows about cancelling debt and giving aid, and most people are now convinced that trade is the best way to help in terms of liberalising access to markets for producers in poor countries, and agriculture forms an important market for them. However, as we learned with the EU's announcement of the "Everything but Arms" initiative, if such measures are rushed they cause great dislocation and harm to farming inside the EU. Sugar beet was a good example of jumping in and having to rescue the situation afterwards—and, as we heard from interventions during the opening speech today, it has not yet been rescued.

The sugar beet industry is keen on diversification, having seen what is coming, and bioethanol is an important by-product in which it is interested. As has rightly been said, the reduction in duty is helpful, but on its own it is not enough, and I support that industry and its calls for capital allowances and some kind of renewables obligations specific to the industry that will be helpful.

Another example of the effects on world trade of decisions taken inside the EU is provided by the egg industry, which yesterday hosted a reception on the welfare standards being set inside the EU and their effect on future imports from countries outside the EU that do not meet those higher welfare standards. It is very concerned about becoming more and more uncompetitive against people who obtain ever greater access to our markets. That is an important issue that it wants us to take into account. It is important for us in this House and in the EU to balance welfare issues with competitiveness issues for our farmers.

Just to repeat the point that I made in an intervention earlier with regard to the challenges about red tape, I accept that DEFRA's rule strategy is a great attempt to reduce red tape at every level, with more than 100 funding streams reduced to three, but basically the agreement that we have reached in the EU about the single payment scheme reduces 10 previous schemes to one, with one single system for application and one single system for inspection. If we can link that to what we are trying to achieve in Britain in terms of the whole farm approach to holding farms to account for the public subsidy that they receive, we will do a good job for farmers.

6.32 pm

Mr. Ian Liddell-Grainger (Bridgwater) (Con): Is the Minister aware that the National Bee Unit is under threat? Does he realise that the bee unit is about to lose 20 per cent. of its income. Its funding comes from the Government and the loss of 20 per cent. will make a massive difference to it.

There are two types of bee inspectors—a regional bee inspector, whose job it is to look after the south-west, the north-east, or wherever—

Mr. Clifton-Brown: The big bee.

Mr. Liddell-Grainger: He is the big bee, as my hon. Friend points out. The second type is the seasonal bee inspector, whose job it is to go round all the hives. At the moment the bees are dormant and doing nothing other than hibernating, I hope, although it is warm

[Mr. Liddell-Grainger]

enough for them to go out. He is responsible for checking the bees and their quality in that period. The noble Lord Haskins has not got this seriously wrong.

The Minister will probably not be aware that a 20 per cent. cut in the income of the bee unit means that half the inspectors will go. Their number cannot be sustained. What does that mean for the bees? The bee inspector's job is threefold—first, to check swarm purity; secondly, to ensure that the quality of the hives is what it should be; and, thirdly, to check for bugs in the hives.

It may not come as any great surprise to Conservative Members that most of the diseases that we try to combat come from Europe, which is where the inspectors spend most of their time. But the Minister should be aware that the crying shame, or the disgrace, is that the Government put in £125,000, with the rest of the funding coming from Europe. The importance of the bee in agriculture, horticulture and just about every other culture, cannot be underestimated. Surely the Government should be championing good quality, healthy bees. The problem is petty-minded, stupid bureaucracy. What is the point of cutting money from a unit that safeguards something that is so important to agriculture?

The Government probably do not know that bees bring £120 million a year into agricultural industries through not only honey and beeswax, which is used for all kinds of different things, but importing and exporting different swarms. I have received a letter from a constituent, Rev. Ivan Selman, about that matter. He makes the point that the private benefit to beekeepers is estimated to be only £11.3 million and that many hobby beekeepers make little or no profit. Surely this is the crux of the matter: the people who produce honey do so because they want to and because they enjoy doing it; they do not do it because they make a fortune. We cannot expect to have healthy animals in this country if we do not have inspectors, and the Government, who have banged on about inspectors, must address the matter urgently.

Given the short time that remains, I shall turn to Exmoor national park. The Minister knows the effect of the ban on hunting on Exmoor. The ban will make a difference, it has made a difference and it needs to be addressed. This Friday, my hon. Friend the Member for Taunton (Mr. Flook), the hon. Member for North Devon (Nick Harvey) and I will have our quarterly meeting with the national park, at which we will discuss the problems that the park will face due to the hunting ban.

The Minister knows Exmoor national park's concerns, and I hope that he will manage to address some of them. They have been raised by not only hon. Members but members of the national park, the county councils, the district councils and the parish councils. The ban will cost up to £9 million across the park, which is a lot for an area such as ours, and we cannot sustain that loss. The Government intimated that they would examine the introduction of some form of financial inducement, and I wonder whether the Minister is prepared to expand on that point.

Somerset gets very little objective 2 funding: Cornwall receives objective 1 funding; Devon receives objective 2 funding; and Somerset receives a little bit of objective 2 funding. One of the problems in rural areas is that we cannot match such funding. The Minister is aware of that point, which we have discussed before, but we have not resolved how rural areas can raise match funding. The Government have been asked the question time and again, but we are still waiting for answers. The Government have not listened, because we have the same problems as Cornwall—in most cases, incomes are lower in Somerset than in Cornwall because of the housing crisis in rural areas, which many hon. Members have already eloquently discussed.

British Telecom is removing phone boxes, which it claims are not being used, from rural areas. Mobile phones do not work in many parts of Exmoor because one cannot get a signal, which is partly due to planning restrictions, but mainly due to the type of ground. The Minister says that he is looking to put money and help into rural areas. What is the point of rolling out broadband if homeowners in such locations cannot make phone calls? We prevailed on BT to try to reverse that decision, and I know that the Government have been involved, but the removals are still occurring. We are losing phone boxes across Exmoor and the Somerset Levels as we speak. Will the Minister consider intervening to try to persuade BT, which I accept is a private company, to stop that practice so that we can get back communication in our local areas?

Finally, may I draw the Minister's attention to the piece in this week's *Farmers Weekly* on bovine TB, "Call Time on Brock", which reports on the experiment in Ireland? It makes good reading and seems eminently sensible. I am sure that the Under-Secretary of State for Environment, Food and Rural Affairs, who has responsibility for TB, has examined the matter, and, given that the solution in the article seems sensible, perhaps he will mention it.

6.39 pm

Mr. James Gray (North Wiltshire) (Con): As so often in agriculture debates in this House, we have had a sensible, useful and relatively well-balanced debate with a great deal of expertise on both sides of the House. Leaving aside the Minister's introductory speech, which was slightly sullied by party politics, Government and Opposition Members have contributed a great deal to the debate.

The hon. Member for St. Ives (Andrew George) pointed out that more farmers have left the industry under Labour than at any time since the last war. He then got rather muddled, however, about how he supports the area-based payments under the mid-term review in England and the historic payments in Scotland. He is a Liberal, and he is all things to all men.

I pay tribute to the hon. Member for Monmouth (Mr. Edwards), because in our index of the rurality of seats, Monmouth is the second most rural Labour seat, at 63rd. I shall return to that in a moment. He knows what he is talking about, especially with regard to the subdivision of farmland and the problems facing woodland.

My hon. Friend the Member for Hexham (Mr. Atkinson), who knows farming inside out and back to front, highlighted a topic that has arisen throughout the debate—the threat to the beef and dairy industry from the complex introduction of the single

farm payment. His comments were echoed by those of my hon. Friend the Member for Cotswold (Mr. Clifton-Brown) and several other hon. Members.

The hon. Member for Stafford (Mr. Kidney) said that he hopes that there is a great future for British farming, although he did not explain where it was to come from, and he seemed uncertain about whether Labour's promise to bring in the mid-term review might come back to haunt it in the fullness of time.

My hon. Friend the Member for Bridgwater (Mr. Liddell-Grainger) made some useful and interesting comments about bees—an extremely important, if comical, issue in the countryside.

Before I say anything else, I want to lay to ground a perfectly absurd spin that the Labour party is always coming out with—

Mr. Roger Williams (Brecon and Radnorshire) (LD): Will the hon. Gentleman give way?

Mr. Gray: I fear that I do not have time to do so.

Labour Members are always saying that Labour is the party of the countryside. Indeed, I have here a rather good quote from none other than the Prime Minister, who declared in 1996:

"I love our countryside, I love the variety . . . for me it is the open spaces, the closeness to nature".

That sounds a bit like Monty Python's lumberjack sketch, although I have every confidence that the Prime Minister does not like to put on women's clothing or hang around in bars. It is all talk. Labour Members love the soundbite, but, as a farmer friend of mine said recently, "Soundbites don't butter no parsnips." There is a great deal of truth in that old Wiltshire saying.

The Minister claimed that Labour has 180 rural and semi-rural seats. I pay tribute to my hon. Friend the Member for South Holland and The Deepings (Mr. Hayes), who, some time ago, did a huge amount of work to calculate which are the most rural seats in Britain, using population density, the number of people employed in agriculture, and a variety of other indexes. I have the list here. Of the top 200, two are represented by Labour—Carrick, Cumnock and Doon Valley and, at No. 63, Monmouth; the rest are exclusively represented by Conservative and Liberal Democrat Members of Parliament. The notion that Labour is the party of the countryside works only if one includes places such as Reading, East, Reading, West and Swindon. No doubt Exeter claims to be a rural seat, but it ain't. It is absurd to suggest that the Labour party represents rural areas. Happily, the work done by my hon. Friend the Member for South Holland and The Deepings has been published and is available in the Library for all to look at. The truth of the matter is that rural areas are overwhelmingly represented by the life-long friend of the farmer—the Conservative party.

Labour Ministers, in particular, know little about farming and seem to care less. That was amply demonstrated by the Minister's opening speech. He calls himself the Minister for rural affairs, but when he ventures into the countryside, which is rarely enough, he is about as popular as myxomatosis in a rabbit hutch. That, of course, was the expression used with regard to the arrival on the Labour Benches of the Minister's hon. Friend, the hon. Member for Wantage (Mr. Jackson). I hope that his strong support for the war in Iraq and top-up fees, his views on the European Union and the single currency and his strong support for hunting make him very welcome on the Labour Benches, but I suspect that the description, "about as popular as myxomatosis in a rabbit hutch", applies as much to him as it does to the Minister.

The contrast with my hon. Friend the Member for South-East Cambridgeshire (Mr. Paice) is stark. He knows about farming; he was a farmer for many years; he has looked after this portfolio, in different guises, for a very long time; and he speaks with care, knowledge and balance on the issues—something that I myself would not necessarily claim to do.

Today's debate has had to answer a fundamental question: do we want to produce our own food? Do we believe that the Government have a duty to maintain a reasonable supply for the British people? Or are we content to become increasingly dependent on overseas countries: beef from Argentina, milk from France and Poland and chicken from Thailand? That is the way we are going. Our self-sufficiency in food has declined by 4 per cent. since 1997. We now have more DEFRA civil servants—14,460—than dairy farmers, of whom there are only 14,300.

The world's strategic reserve of food is at a historic low of 63 days compared with 104 when we left power. We have 63 days worth of food in the world today. Britain could contribute to that, but are we? The fundamental questions that arise from our debate are: can we carry on as we are? Is farming in terminal decline? Are we content to become ever more reliant on overseas producers, whose standards of animal welfare and human hygiene would often not be allowed in the United Kingdom? Any focus group would reply with a resounding no. We want to eat British food and we want to know where it comes from and how it is produced. However, under the Labour Government, the questions about the source of food and the method of its production are becomingly increasingly difficult to answer.

The Government's botched implementation of the single farm payment risks making matters even worse and turning our green and pleasant land into an urban playground or letting it decline into untended scrub land. There is a genuine risk of that and I call on the Government and the Under-Secretary to tell us how they will avoid that unwelcome consequence of the single farm payment.

The Government have not only failed on farming. We must remember that 14.1 million people live in rural districts and that the debate is not all about farmers but about rural life in general. The Government have failed to preserve village and rural life. Homelessness in rural areas has soared by 13 per cent. since they came to power. Rural property prices are 15 per cent. above national averages so that people on low wages cannot possibly afford to live in rural areas. Fifty-eight per cent. of households in rural areas have no access to any form of public transport and rural crime costs farmers £100 million a year when 98 per cent. of rural parishes have no permanently staffed police presence. Three thousand rural post offices are closed and continue to close at the rate of three a week, assisted by the ghastly Government.

[Mr. Gray]

The Deputy Prime Minister's changes to planning laws will, if anything, ensure that especially the south-east and the south-west will suck in businesses and houses from the north of England and ensure that the most environmentally sensitive and beautiful parts of at least the south half of the island will be concreted over as quickly as he can possibly achieve that.

The Government have failed to maintain villages. Funding from the national lottery for the village hall, so central to village life, has disappeared. They have done away with it and village halls will suffer. They have failed to preserve the rural way of life, abolishing hunting and now threatening shooting. Not only farming but the way of life is in crisis because of the Government. The entire way of life for 14.1 million people who live in villages and market towns is under threat. The villages, the churches, the halls and the whole approach to life will go. The Labour Government will turn the countryside into some sort of dormitory for their urban friends.

By contrast, our vision is of a living, vibrant countryside, with real people doing real jobs and living real lives. It is of a profitable farming industry, thriving rural businesses and a traditional way of life, which people in the countryside so badly need. All of that is fundamentally undermined by a quintessentially urban Labour Government.

6.49 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Mr. Ben Bradshaw): The hon. Member for North Wiltshire (Mr. Gray) began by describing the debate as constructive and bipartisan, but he did not follow the tradition that he lauded.

It is a great pleasure to be winding up in our important debate. It is especially pleasurable to reply to a debate in which my hon. Friend the Member for Wantage (Mr. Jackson) made what he described as his maiden speech as the Labour Member of Parliament for Wantage. I should like to think that my hon. Friend was a friend of mine before he crossed the Floor, but he certainly is now. His speech was refreshingly unpartisan. It had historical perspective and drew on his experience as a former Member of the European Parliament.

My hon. Friend mentioned the issue that dare not speak its name in many debates on the state of the agricultural economy: the role of the exchange rate and the euro. He made an important point, and many of the most sensible commentators and, indeed, people involved in agriculture realise that the stability gained from joining the euro would mean enormous benefits. That is almost never debated.

My hon. Friend the Member for Wantage also rightly reminded the House that issues such as CAP reform and trade liberalisation have traditionally been bipartisan issues that have been progressed by Governments of both political colours. He pointed out that, whether we like it or not, under successive Governments the size of the agricultural economy as a proportion of the overall economy has shrunk from 3 per cent. in the early 1970s to 0.8 per cent. now. Another bipartisan issue that he raised was the balance that always has to be struck between regulation and food safety and animal health. That is a difficult balance for any Government to strike. He warned me that he was an assiduous letter-writer on behalf of farmers, and I look forward to receiving letters from him.

If I do not have time in the few minutes that remain to address all the points raised in the debate, I promise to write to hon. Members on those subjects. My hon. Friend the Member for Wantage mentioned the impact of the fallen stock scheme on his constituency, and I will certainly look into the suggestion that there might not be a collection service available in his area. I am assured by Michael Seals, the chairman of the fallen stock scheme—an industry-run scheme—that there is a nationwide network that extends even to the Isle of Wight. I shall write to my hon. Friend with the details that he has requested.

The hon. Member for Isle of Wight (Mr. Turner) was right to say that there were particular challenges in his constituency. Following negotiations, the fallen stock scheme and the local hunt have agreed a collection price and the collection scheme will go ahead. As the Minister for Rural Affairs and Local Environmental Quality said in his opening speech, there is no reason for the hunt on the Isle of Wight to disband. The Countryside Alliance has said that, as long as hunts stay within the law, many will be able to continue and to generate more income by taking part in the fallen stock scheme.

Mr. Wiggin: Will the Minister give way?

Mr. Bradshaw: No, I am terribly sorry, but I have only 10 minutes in which to wind up, and the hon. Member for North Wiltshire (Mr. Gray) did not take interventions either.

My hon. Friend the Member for Wantage and the hon. Members for Taunton (Mr. Flook), for Hexham (Mr. Atkinson) and for Bridgwater (Mr. Liddell-Grainger) raised the serious issue of bovine TB, on which I do not intend to spend a great deal of time, but it is important to say that this has been our first opportunity to discuss the issue following the publication, finally, of the results from the four area trials in the Irish Republic. We will of course take seriously any lessons to be learned from those trials, but it is important that hon. Members recognise that the situation in Ireland is rather different from that in the United Kingdom.

The scientists who conducted the Irish trials have said that the proactive culling that achieved the reduction in TB breakdowns in cattle is not a viable policy for the Republic of Ireland, so whether it would be viable in the UK is also open to question. I have asked the Independent Science Group to examine the results of the Irish trials to see whether anything can be learned from them. I accept that those trials have changed the debate. They have taken us away from the debate on whether culling badgers can help to tackle TB. We must now ask whether culling badgers in the way that was done in the Irish trials would be viable, cost effective and politically acceptable. Those are questions that all parties in the House will have to grapple with over the next few weeks.

Several hon. Members talked about the general state of farming, and it is important to recognise that it has gone through a difficult time for a number of reasons,

although incomes have, in fact, risen by 80 per cent. from the low that they reached in 2000. We recognise that there are particular pressures on the dairy industry. Those problems were raised by the hon. Member for St. Ives (Andrew George), and my hon. Friend the Member for Monmouth (Mr. Edwards) talked about them in some detail. My hon. Friend quoted an articie from this week's farming press, saying that he felt that there was a new spirit of optimism in the industry. I think that he is right, although we should not overlook some of the serious challenges faced, especially by the dairy industry.

The hon. Member for St. Ives pointed out that we are awaiting the outcome of the latest Office of Fair Trading report into supermarkets. We will study that report with interest. The Government have certainly not ruled out the need for further action if the report shows that there are problems that need to be addressed, although previous reports of this kind have not done so. In fairness to the hon. Member for South-East Cambridgeshire (Mr. Paice), I should mention that he pointed out the positive role that supermarkets play in rural areas. They provide a service to rural people and offer them a much greater choice than previous generations ever had. I am as keen as he is, however, to make sure that they do not use their powerful position to the detriment of the farming industry.

One of the important statistics to remember when we debate the state of the dairy industry is the extremely big difference in profitability between some dairy producers and others. My constituency is urban, not rural, but I know farmers outside Exeter, and have friends who are farmers outside Exeter, and they tell me that there are huge differentials in the success of dairy farmers, both in terms of added value and costs. The differential that dairy farmers experience is 12p per litre, which does not indicate to me that this is just a problem of supermarkets and price. It is also a challenge to the industry to get to the level at which all are making those sorts of profits.

Several hon. Members talked about CAP reform. It is right to point out, as did my hon. Friend the Member for Stafford (Mr. Kidney), that although there was a lot of talk in the Conservative party, over many years, about the importance of CAP reform, this Labour Government delivered that historic CAP reform back in the summer of 2003. It has been an incredibly complex issue, but we have discussed it with the farming community all along. One of my other hon. Friends pointed out that the farming industry was not united on how it wanted CAP reform to be implemented, but we have gone out of our way, all along, to take the farming industry with us, to listen to those voices and to try to devise a system that we thought was fair and that would deliver the public goods that were mentioned.

It was characteristically generous of the hon. Member for St. Ives to say that he thought that we had struck the right balance. His questions about the timing of the implementation of the single farm payment have been dealt with. We are confident that we can still do that early in the window that we have set out. I also note that, as was pointed out, in all the criticisms from the official Opposition on the single payment and the way in which it has been implemented, I did not hear a coherent alternative, and I never have done. We have heard such criticisms time and again in the House, but we are still waiting for a coherent alternative.

A number of other issues were raised, to which I have not got time to respond in detail now, but I will write to the Members concerned. The hon. Member for Bridgwater mentioned bees, and the hon. Member for South-East Cambridgeshire referred to reform of the sugar regime and the important area of biomass and the future of biofuels, to which the Government are committed.

In general terms, however, I was astonished that in a debate that was supposed to be about rural communities, the hon. Members for South-East Cambridgeshire and for North Wiltshire said almost nothing about employment, the environment, biodiversity, the health service, crime, schools, housing, poverty, transport or the overall economy. Are not those issues important for people who live in rural areas, as they are for people who live in urban areas? My region, the south-west, is largely rural, and has been perhaps disproportionately dependent on agriculture historically. It has also been the fastest growing region in the whole of England in the last three years. Nothing was said about the success delivered by this Labour Government to the economy and public services in rural areas.

In the constituency of the hon. Member for North Wiltshire, there are now 2,365 more nurses, and 849 more doctors, in his strategic health authority area. North Wiltshire has 290 more teachers than in 1997, and Wiltshire has 63 more police officers. Unemployment has fallen 63 per cent. since 1997. None of that was mentioned in the criticisms that he levelled.

That comes on top of announcements this week in the Conservative party's so-called James review, the Conservative Front-Bench's failure to stand up to their party leader and shadow Chancellor, unlike some other shadow Ministers, and to defend the savage cuts that the Conservative party now proposes to make in DEFRA's budget—

David Maclean (Penrith and The Border) (Con) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 189, Noes 322.

Division No. 36] **[6.59 pm**

AYES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Bottomley, Peter *(Worthing W)*
Bottomley, rh Virginia *(SW Surrey)*
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cameron, David

Campbell, Gregory *(E Lond'y)*
Carmichael, Alistair
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James
Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Dorrell, rh Stephen
Doughty, Sue
Duncan, Peter *(Galloway)*
Evans, Nigel
Fabricant, Michael
Field, Mark *(Cities of London & Westminster)*
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Gray, James *(N Wilts)*
Grayling, Chris
Green, Matthew *(Ludlow)*
Greenway, John
Grieve, Dominic
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Johnson, Boris *(Henley)*
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lidington, David
Lilley, rh Peter
Loughton, Tim
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
Maclean, rh David
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mates, rh Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Pickles, Eric
Portillo, rh Michael
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Teather, Sarah
Thurso, John
Tonge, Dr. Jenny
Tredinnick, David
Trend, Michael
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Tyrie, Andrew
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Roger *(Brecon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Yeo, Tim *(S Suffolk)*
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes: Gregory Barker and Mr. Peter Atkinson

NOES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Bostang, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Dr. Lynda *(Edinburgh Pentlands)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Corston, rh Jean
Cousins, Jim
Cox, Tom *(Tooting)*
Cranston, Ross
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Curtis-Thomas, Mrs Claire
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Dunwoody, Mrs Gwyneth
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Etherington, Bill
Ewing, Annabelle
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fisher, Mark
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Gapes, Mike *(Ilford S)*
Gardiner, Barry
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hain, rh Peter
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*

Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geo[illegible]
Hope, Phil *(C[illegible])*
Hopkins, Kelv[illegible]
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, rh Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Jenkins, Brian
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Linton, Martin
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McGrady, Eddie
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
MacShane, Denis
Mactaggart, Fiona
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Martlew, Eric
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morgan, Julia
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Bill *(Normanton)*
O'Brien, Mike *(N Warks)*
Oliver, Bill
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Price, Adam *(E Carmarthen & Dinefwr)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Ross, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheridan, Jim
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, rh Ann *(Dewsbury)*
Taylor, Dan *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Thomas, Simon *(Ceredigion)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Wareing, Robert N.
Watson, Tom
Watts, David
Weir, Michael
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Williams, Hywel *(Caernarfon)*
Winterton, Ms Rosie *(Doncaster C)*
Wishart, Pete
Wood, Mike *(Batley)*
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Noes:
Mr. Nick Ainger and Vernon Coaker

Question accordingly negatived.

Question, That the proposed words be there added, put forthwith, pursuant to Standing Order No. 31 (Questions on amendments):—

The House divided: Ayes 308, Noes 182.

Division No. 37] **[7.14 pm**

AYES

Abbott, Ms Diane
Adams, Irene *(Paisley N)*
Ainsworth, Bob *(Cov'try NE)*
Alexander, Douglas
Allen, Graham
Anderson, rh Donald *(Swansea E)*
Anderson, Janet *(Rossendale & Darwen)*
Atherton, Ms Candy
Atkins, Charlotte
Austin, John
Bailey, Adrian
Baird, Vera
Banks, Tony
Barnes, Harry
Barron, rh Kevin
Bayley, Hugh
Beard, Nigel
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Bennett, Andrew
Benton, Joe *(Bootle)*
Berry, Roger
Betts, Clive
Blears, Ms Hazel
Blizzard, Bob
Boateng, rh Paul
Borrow, David
Bradley, rh Keith *(Withington)*
Bradley, Peter *(The Wrekin)*
Bradshaw, Ben
Brennan, Kevin
Brown, rh Nicholas *(Newcastle E Wallsend)*
Brown, Russell *(Dumfries)*
Browne, Desmond
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Byrne, Liam *(B'ham Hodge H)*
Cairns, David
Campbell, Alan *(Tynemouth)*
Campbell, Mrs Anne *(C'bridge)*
Campbell, Ronnie *(Blyth V)*
Caplin, Ivor
Caton, Martin
Challen, Colin
Chapman, Ben *(Wirral S)*
Clapham, Michael
Clark, Mrs Helen *(Peterborough)*
Clark, Paul *(Gillingham)*
Clarke, rh Tom *(Coatbridge & Chryston)*
Clarke, Tony *(Northampton S)*
Clelland, David
Clwyd, Ann *(Cynon V)*
Coffey, Ms Ann
Cohen, Harry
Connarty, Michael
Cook, rh Robin *(Livingston)*
Corbyn, Jeremy
Corston, rh Jean
Cousins, Jim

Cox, Tom *(Tooting)*
Cranston, Ross
Cruddas, Jon
Cryer, John *(Hornchurch)*
Cummings, John
Cunningham, Jim *(Coventry S)*
Cunningham, Tony *(Workington)*
Dalyell, Tam
Darling, rh Alistair
Davey, Valerie *(Bristol W)*
David, Wayne
Davidson, Ian
Davies, rh Denzil *(Llanelli)*
Davies, Geraint *(Croydon C)*
Dawson, Hilton
Dhanda, Parmjit
Dobbin, Jim *(Heywood)*
Dobson, rh Frank
Donohoe, Brian H.
Doran, Frank
Dowd, Jim *(Lewisham W)*
Drew, David *(Stroud)*
Drown, Ms Julia
Eagle, Maria *(L'pool Garston)*
Edwards, Huw
Efford, Clive
Ellman, Mrs Louise
Etherington, Bill
Farrelly, Paul
Field, rh Frank *(Birkenhead)*
Fitzpatrick, Jim
Fitzsimons, Mrs Lorna
Flint, Caroline
Flynn, Paul *(Newport W)*
Follett, Barbara
Foster, rh Derek
Foster, Michael *(Worcester)*
Foster, Michael Jabez *(Hastings & Rye)*
Gapes, Mike *(Ilford S)*
Gardiner, Barry
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Roger
Goggins, Paul
Griffiths, Jane *(Reading E)*
Griffiths, Nigel *(Edinburgh S)*
Griffiths, Win *(Bridgend)*
Grogan, John
Hall, Mike *(Weaver Vale)*
Hall, Patrick *(Bedford)*
Hamilton, David *(Midlothian)*
Hamilton, Fabian *(Leeds NE)*
Hanson, David
Harris, Tom *(Glasgow Cathcart)*
Healey, John
Henderson, Doug *(Newcastle N)*
Henderson, Ivan *(Harwich)*
Hendrick, Mark
Hepburn, Stephen
Heppell, John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith *(Streatham)*
Hinchliffe, David
Hodge, rh Margaret
Hoey, Kate *(Vauxhall)*
Hoon, rh Geoffrey
Hope, Phil *(Corby)*
Hopkins, Kelvin
Howarth, rh Alan *(Newport E)*
Howarth, George *(Knowsley N & Sefton E)*
Hoyle, Lindsay
Hughes, rh Beverley *(Stretford & Urmston)*
Hughes, Kevin *(Doncaster N)*
Humble, Mrs Joan
Hurst, Alan *(Braintree)*
Hutton, rh John
Iddon, Dr. Brian
Illsley, Eric
Ingram, rh Adam
Jackson, Helen *(Hillsborough)*
Jackson, Robert *(Wantage)*
Jamieson, David
Johnson, rh Alan *(Hull W)*
Johnson, Miss Melanie *(Welwyn Hatfield)*
Jones, Helen *(Warrington N)*
Jones, Jon Owen *(Cardiff C)*
Jones, Martyn *(Clwyd S)*
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Kemp, Fraser
Kennedy, rh Jane *(Wavertree)*
Kidney, David
Kilfoyle, Peter
Knight, Jim *(S Dorset)*
Ladyman, Dr. Stephen
Lammy, David
Lawrence, Mrs Jackie
Laxton, Bob *(Derby N)*
Lazarowicz, Mark
Lepper, David
Leslie, Christopher
Levitt, Tom *(High Peak)*
Lloyd, Tony *(Manchester C)*
Love, Andrew
Lucas, Ian *(Wrexham)*
Luke, Iain *(Dundee E)*
McAvoy, rh Thomas
McCabe, Stephen
McCafferty, Chris
McDonagh, Siobhain
McDonnell, John
MacDougall, John
McGrady, Eddie
McGuire, Mrs Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Mackinlay, Andrew
MacShane, Denis
Mactaggart, Fiona
McWilliam, John
Mahmood, Khalid
Mallaber, Judy
Mann, John *(Bassetlaw)*
Marris, Rob *(Wolverh'ton SW)*
Marsden, Gordon *(Blackpool S)*
Marshall, David *(Glasgow Shettleston)*
Marshall-Andrews, Robert
Meacher, rh Michael
Meale, Alan *(Mansfield)*
Merron, Gillian
Michael, rh Alun
Miliband, David
Miller, Andrew
Mitchell, Austin *(Gt Grimsby)*
Moffatt, Laura
Mole, Chris
Moran, Margaret
Morgan, Julie
Morley, Elliot
Morris, rh Estelle
Mountford, Kali
Mudie, George
Mullin, Chris
Murphy, Denis *(Wansbeck)*
Murphy, Jim *(Eastwood)*
Murphy, rh Paul *(Torfaen)*
Naysmith, Dr. Doug
Norris, Dan *(Wansdyke)*
O'Brien, Mike *(N Warks)*
Olner, Bill
O'Neill, Martin
Osborne, Sandra *(Ayr)*
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Picking, Anne
Pickthall, Colin
Pike, Peter *(Burnley)*
Plaskitt, James
Pond, Chris *(Gravesham)*
Pope, Greg *(Hyndburn)*
Prentice, Ms Bridget *(Lewisham E)*
Prentice, Gordon *(Pendle)*
Primarolo, rh Dawn
Prosser, Gwyn
Purchase, Ken
Purnell, James
Quinn, Lawrie
Rapson, Syd *(Portsmouth N)*
Raynsford, rh Nick
Reed, Andy *(Loughborough)*
Reid, rh Dr. John *(Hamilton N & Bellshill)*
Robertson, John *(Glasgow Anniesland)*
Robinson, Geoffrey *(Coventry NW)*
Roche, Mrs Barbara
Rooney, Terry
Roos, Ernie *(Dundee W)*
Ruane, Chris
Ruddock, Joan
Russell, Ms Christine *(City of Chester)*
Ryan, Joan *(Enfield N)*
Sarwar, Mohammad
Savidge, Malcolm
Sawford, Phil
Sedgemore, Brian
Sheridan, Jim
Shipley, Ms Debra
Simpson, Alan *(Nottingham S)*
Singh, Marsha
Skinner, Dennis
Smith, rh Andrew *(Oxford E)*
Smith, Angela *(Basildon)*
Smith, rh Chris *(Islington S & Finsbury)*
Smith, Geraldine *(Morecambe & Lunesdale)*
Smith, rh Jacqui *(Redditch)*
Smith, John *(Glamorgan)*
Smith, Llew *(Blaenau Gwent)*
Soley, Clive
Southworth, Helen
Spellar, rh John
Starkey, Dr. Phyllis
Stewart, Ian *(Eccles)*
Stinchcombe, Paul
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Gerry
Taylor, rh Ann *(Dewsbury)*
Taylor, Dari *(Stockton S)*
Taylor, David *(NW Leics)*
Thomas, Gareth *(Clwyd W)*
Timms, Stephen
Tipping, Paddy
Todd, Mark *(S Derbyshire)*
Touhig, Don *(Islwyn)*
Trickett, Jon
Truswell, Paul
Turner, Dennis *(Wolverh'ton SE)*
Twigg, Derek *(Halton)*
Twigg, Stephen *(Enfield)*
Tynan, Bill *(Hamilton S)*
Vaz, Keith *(Leicester E)*
Vis, Dr. Rudi
Walley, Ms Joan
Wareing, Robert N.
Watson, Tom
Watts, David
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Alan *(Swansea W)*
Williams, Betty *(Conwy)*
Winterton, Ms Rosie *(Doncaster C)*
Wood, Mike *(Batley)*
Woodward, Shaun
Worthington, Tony
Wright, Anthony D. *(Gt Yarmouth)*
Wright, David *(Telford)*
Wright, Iain *(Hartlepool)*
Wright, Tony *(Cannock)*
Wyatt, Derek

Tellers for the Ayes:
Mr. Nick Ainger and Vernon Coaker

NOES

Ainsworth, Peter *(E Surrey)*
Allan, Richard
Amess, David
Arbuthnot, rh James
Atkinson, David *(Bour'mth E)*
Bacon, Richard
Baker, Norman
Baldry, Tony
Barrett, John
Beggs, Roy *(E Antrim)*
Beith, rh A. J.
Bellingham, Henry
Bercow, John
Beresford, Sir Paul
Blunt, Crispin
Boswell, Tim
Brady, Graham
Brake, Tom *(Carshalton)*
Brazier, Julian
Breed, Colin
Browning, Mrs Angela
Bruce, Malcolm
Burnett, John
Burns, Simon
Burnside, David
Burstow, Paul
Burt, Alistair
Butterfill, Sir John
Cameron, David
Campbell, Gregory *(E Lond'y)*
Cash, William
Chapman, Sir Sydney *(Chipping Barnet)*
Chidgey, David
Chope, Christopher
Clappison, James

Clarke, rh Kenneth *(Rushcliffe)*
Clifton-Brown, Geoffrey
Collins, Tim
Conway, Derek
Cormack, Sir Patrick
Cotter, Brian
Curry, rh David
Davey, Edward *(Kingston)*
Davies, Quentin *(Grantham & Stamford)*
Davis, rh David *(Haltemprice & Howden)*
Djanogly, Jonathan
Dodds, Nigel
Dorrell, rh Stephen
Doughty, Sue
Duncan, Peter *(Galloway)*
Evans, Nigel
Ewing, Annabelle
Fabricant, Michael
Flight, Howard
Flook, Adrian
Forth, rh Eric
Foster, Don *(Bath)*
Francois, Mark
Gale, Roger *(N Thanet)*
Garnier, Edward
George, Andrew *(St. Ives)*
Gidley, Sandra
Gill, Parmjit Singh
Gillan, Mrs Cheryl
Grayling, Chris
Green, Matthew *(Ludlow)*
Greenway, John
Gummer, rh John
Hague, rh William
Hammond, Philip
Hancock, Mike
Harris, Dr. Evan *(Oxford W & Abingdon)*
Heath, David
Heathcoat-Amory, rh David
Hendry, Charles
Hermon, Lady
Hoban, Mark *(Fareham)*
Hogg, rh Douglas
Horam, John *(Orpington)*
Howard, rh Michael
Howarth, Gerald *(Aldershot)*
Hughes, Simon *(Southwark N)*
Hunter, Andrew
Jack, rh Michael
Jenkin, Bernard
Jones, Nigel *(Cheltenham)*
Keetch, Paul
Kennedy, rh Charles *(Ross Skye & Inverness)*
Key, Robert *(Salisbury)*
Kirkbride, Miss Julie
Kirkwood, Sir Archy
Knight, rh Greg *(E Yorkshire)*
Lait, Mrs Jacqui
Lansley, Andrew
Laws, David *(Yeovil)*
Leigh, Edward
Lewis, Dr. Julian *(New Forest E)*
Liddell-Grainger, Ian
Lilley, rh Peter
Luff, Peter *(M-Worcs)*
McIntosh, Miss Anne
Mackay, rh Andrew
McLoughlin, Patrick
Malins, Humfrey
Maples, John
Mates, rh Michael
Maude, rh Francis
Mawhinney, rh Sir Brian
May, rh Mrs Theresa
Mercer, Patrick
Mitchell, Andrew *(Sutton Coldfield)*
Moore, Michael
Moss, Malcolm
Murrison, Dr. Andrew
Norman, Archie
O'Brien, Stephen *(Eddisbury)*
Osborne, George *(Tatton)*
Page, Richard
Paice, James
Pickles, Eric
Portillo, rh Michael
Price, Adam *(E Carmarthen & Dinefwr)*
Prisk, Mark *(Hertford)*
Pugh, Dr. John
Randall, John
Redwood, rh John
Reid, Alan *(Argyll & Bute)*
Rendel, David
Robathan, Andrew
Robertson, Hugh *(Faversham & M-Kent)*
Robertson, Laurence *(Tewk'b'ry)*
Roe, Dame Marion
Rosindell, Andrew
Ruffley, David
Russell, Bob *(Colchester)*
Sanders, Adrian
Sayeed, Jonathan
Selous, Andrew
Shephard, rh Mrs Gillian
Shepherd, Richard
Simmonds, Mark
Simpson, Keith *(M-Norfolk)*
Smith, Sir Robert *(W Ab'd'ns & Kincardine)*
Smyth, Rev. Martin *(Belfast S)*
Spelman, Mrs Caroline
Spicer, Sir Michael
Spink, Bob *(Castle Point)*
Spring, Richard
Stanley, rh Sir John
Steen, Anthony
Stunell, Andrew
Swayne, Desmond
Swire, Hugo *(E Devon)*
Syms, Robert
Tapsell, Sir Peter
Taylor, John *(Solihull)*
Taylor, Matthew *(Truro)*
Taylor, Dr. Richard *(Wyre F)*
Taylor, Sir Teddy
Thomas, Simon *(Ceredigion)*
Thurso, John
Tonge, Dr. Jenny
Trend, Michael
Trimble, rh David
Turner, Andrew *(Isle of Wight)*
Tyler, Paul *(N Cornwall)*
Waterson, Nigel
Watkinson, Angela
Webb, Steve *(Northavon)*
Weir, Michael
Whittingdale, John
Wiggin, Bill
Wilkinson, John
Willetts, David
Williams, Hywel *(Caernarfon)*
Williams, Roger *(Brecon)*
Wilshire, David
Winterton, Ann *(Congleton)*
Winterton, Sir Nicholas *(Macclesfield)*
Wishart, Pete
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. Peter Atkinson and Gregory Barker

Question accordingly agreed to.

MR DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House welcomes the Government's commitment to farming and rural communities set out in the Strategy for Sustainable Farming and Food and Rural Strategy 2004; applauds the Government's commitment to invest more than £500 million over three years in sustainable food and farming; commends the reforms of the Common Agricultural Policy secured by the Government in June 2003, which will be implemented at the earliest possible opportunity in 2005; congratulates the Government's record on public service delivery in rural areas; further commends the £239 million allocated over six years to 2003–04 through the Rural Bus Subsidy Grant for new and improved rural transport services; further applauds the increase in the resources available for regional development agencies to regenerate the rural economy; further welcomes schemes in place to provide affordable housing in rural areas; praises the efforts to retain the rural post office network; further congratulates the Government's action to protect and enhance the rural environment; and calls upon the Government to continue pursuing a strategy based on long term policies to regenerate British agriculture, improve rural services and revitalise the rural economy as a whole.

DEFERRED DIVISIONS

Motion made, and Question put forthwith, pursuant to Standing Order No. 41(A)(3)(Deferred divisions),

That, at this day's sitting, Standing Order No. 41A (Deferred Divisions) shall not apply to the Question on the Motion in the name of Mr Peter Hain relating to the Electoral Commission.—*[Mr. Watson.]*

Question agreed to.

ELECTORAL COMMISSION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) and Order [21 December 2004].

That an Humble Address be presented to Her Majesty, praying that Her Majesty will re-appoint as Electoral Commissioners, with effect from 19th January 2005:

(1) Pamela Joan Gordon for the period of two years; and

(2) Sir Neil William David McIntosh KBE for the period of three years.—*[Mr. Watson.]*

Question agreed to.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Standing Committees on Delegated Legislation),

LOCAL GOVERNMENT

That the draft Local Authorities' Plans and Strategies (Disapplication) (England) Order 2005, which was laid before this House on 10th January, be approved.—*[Mr. Watson.]*

Question agreed to.

PUBLIC PETITIONS

Resolved,

That this House approves the recommendations in paragraphs 5 and 8 of the Fifth Report from the Procedure Committee, Session 2003–04, on Public Petitions (HC 1248).—*[Mr. Watson.]*

DELEGATED LEGISLATION

Mr. Deputy Speaker (Sir Alan Haselhurst): With the leave of the House, I will take together motions 5 and 6.

Ordered,

EMERGENCY SERVICES

That the Fire and Rescue Services (National Framework) (England) Order 2004 (S.I., 2004, No. 3217), dated 7th December 2004, be referred to a Standing Committee on Delegated Legislation.

LOCAL GOVERNMENT FINANCE

That the Non-Domestic Rating (Small Business Rate Relief) (England) Order 2004, (S.I., 2004, No. 3315), dated 14th December 2004, be referred to a Standing Committee on Delegated Legislation.—*[Mr. Watson.]*

School Playing Fields

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watson.]*

7.26 pm

Mr. Liam Byrne (Birmingham, Hodge Hill) (Lab): I thank the Under-Secretary of State for Education and Skills, my hon. Friend the Member for Halton (Derek Twigg), for attending this debate on the sale of school playing fields, and I welcome him to his place. This is his first Adjournment debate, as it is mine, and I have no doubt that his many years of service to the people of Halton, as well as his former career at the then Department for Education and Employment, will stand him in excellent stead for his new role, and I wish him every possible success in that job.

I am grateful to the House for the opportunity to speak on the six-months anniversary of my arrival in the House. We have achieved a great deal in Hodge Hill in that short time. We have quadrupled the number of actions taken against antisocial behaviour. We have won two extra teams of police. We are now one of just 50 Home Office action areas for the Together campaign. Most important of all, we have created a new partnership within our community in Hodge Hill that has already identified five possible crack houses, 10 gang hot spots and 30 neighbours from hell. However, I fear that, after all our work, certain forces are about to move us backwards on an issue that lies at the heart of our community: the sale of the Brockhurst road playing fields to Tesco, thus creating one more megastore for that organisation and involving the possible highway robbery of up to 80 per cent. of the cash to spend elsewhere in the city.

I must give credit where credit is due: the Government have transformed horizons for our young people in this country. They have tightened the rules on the sale of school playing fields not once, not twice, but four times. That agenda is matched by the new vision of offering children at least four hours' sport every week in and out of school. Moreover, that vision has been backed by cash: more than £1 billion is flooding into physical education and school sport between now and 2006. However, I can only wish that the Government's commitment was matched by that of Birmingham city council, and I need to give the House a very brief history of the development of the dangerous scheme to tarmac over the green fields on the Brockhurst road.

The development was first proposed some 12 years ago, but the local action plan for Hodge Hill was clear that only one large food store should be built. It said that there should not be a megastore, that nothing should be built on playing fields and that such fields should not be declared surplus to requirements. Indeed, the plan set out clearly:

> "Any future applications that incorporate part or all of the playing fields in development proposals are likely to be refused".

That was the position until last year, when after 12 years of the community successfully resisting change, the new Tory-Liberal administration gave the green light for a new local development plan that provided for a 55,000 sq ft megastore that swallowed up nearly a fifth of the playing fields. It backed that up with a cabinet commitment to declare the fields surplus to requirement after the simple presentation of a satisfactory plan from

Tesco. Did the new cabinet ask the local residents action group for its advice? Did it call local councillors to ask their views? Did it talk to one local resident? Not a bit of it. It even refused to table the report from the residents action group at the meeting at which the deed was done.

I do not want to overstate the case, but I do not need to. The fields in question are technically detached educational playing fields. Following decades of underinvestment, local schools have been reluctant to use them due to the lack of changing facilities on site. Additionally, the proposal will not swallow all the pitches. However, the pitches are rough diamonds because they are of fantastic quality. They are dead flat, never waterlogged and so good that the Aston Villa ladies team considered training on them at one point. That explains why the pitches are in heavy demand from local sports clubs such as Sporting FC, which is exactly the sort of community organisation that is crucial if the Government's out-of-school sport agenda is to be delivered. Its club secretary, John Abbey, has worked tirelessly to oppose Tesco's application.

A second argument against the proposal is the fact that the overwhelming power of Tesco could wipe out all the local traders in the neighbouring Fox and Goose shopping centre. My inquiries to the Office of the Deputy Prime Minister before Christmas uncovered a stunning report. It was unequivocal in saying that such megastores undermine traditional businesses such as food shops, newsagents, off-licences and clothing and footwear stores. Those are exactly the kind of stores that currently make up the Fox and Goose. What chance will such local stores, rich in goodwill, stand against a company that makes nearly £4,000 profit every single minute of every day?

A further argument against the proposal is its impact on local roads, which are already some of the most dangerous in Birmingham. Communities throughout the country have interesting stories to tell about promises on traffic that are never delivered, but although local councillors in Hodge Hill proposed a neighbourhood renewal fund initiative to study the traffic impact independently, it was stopped by the new Tory-Liberal administration when it froze NRF projects throughout the city.

Worse still, today a new report on air quality in Birmingham shows that our community is on course to fail targets on nitrogen dioxide levels because of traffic. As Councillor John Clancy, who has ably chaired the local Fox and Goose focus group for several years, rightly says, at a time when we want to cut fumes and protect our green spaces, it is odd that we are trying to suffocate one of our green lungs.

I know that the Minister has not received a planning application and that he is not in the business of speculating, but I think that this is a clear case of a development that is not in a community's interest, so I want to flag in his mind the fact that there are strong reasons why he should oppose the proposal, if and when he sees it. I know that under new PPG17 guidance, planners must show that land is surplus to requirements, but paragraph 10 of the guidance says that developers must consult the local community and show that

"their proposals are widely supported by them."

In Hodge Hill, the city council might be prepared to declare that the fields are surplus to requirement, but the developers certainly cannot show that the plans have widespread support. Council polls show that 55 per cent. of people support the idea, but I dispute that figure because my polls show that 58 per cent. are against it. It would be useful if the Minister would clarify the metrics for community support that must be demonstrated in such cases.

No Minister in this country is above the law, so if my hon. Friend says that Birmingham city council must decide and he has no power to stop it, I will say that the law is at fault. I would not want him to break it, however, especially so early in his post. However, if that is the scenario, I ask for his help to ensure that the proceeds benefit the local community. The Minister's predecessor told the House on 8 December 2004 that 80 per cent. of playing field sales that did not involve school closures led to the provision of much better local facilities, but that is not Birmingham city council's game plan. I have learned that the sale proceeds from the deal will total between £2 million and £3 million, with section 106 money on top of that, but will that be spent in the locality? Not a bit of it. When Councillor John Clancy put that question to Birmingham city council in the regeneration scrutiny committee last week, the council said that not only would the capital receipts be going elsewhere, but a portion of the section 106 money would be placed

"into an accrual account and would remain there until called upon"

to be spent

"in those areas where there was a shortfall in service provision".

That is from a council that is sitting on a single capital pot fund of £233 million. That is from a council with a prospective section 106 pot of £70 million, of which £23 million is already in the bank. In other words, that is from a council with zero stars for children's services and a triple A bank balance, and that is why we need the Minister's help.

Last year, the Minister's predecessor, my hon. Friend the Member for Enfield, Southgate (Mr. Twigg), helped me with an answer to my questions about any proceeds from the sale of the Brockhurst Road playing fields. He said

"that any sale proceeds must be used to improve outdoor sports provision wherever possible";

in other words—I would welcome the Minister's confirmation of my interpretation—100 per cent. of the proceeds must be earmarked for sports provision. His predecessor went on to say that

"there is no requirement to use the proceeds from the sale of school lands to provide local community facilities."

I would argue that that is the opportunity for progress tonight.

I would welcome the Minister's exploring whether he could consider the following simple three-point plan: first, to require, where he sees fit, the local authority and the local police to present their assessment of the adequacy of services for young people in a community before deals such as this are approved; secondly, to acquire the right for the Minister to stipulate where money is spent if it is clear from the assessment that youth services in a community are not up to scratch; thirdly, to update regulations on the sale of playing fields to bring them into line with restrictions on the sale of school-owned playing fields. As the Minister knows, although we have been tremendously successful in

[Mr. Liam Byrne]

reducing the sale of school playing fields, down to just 14 last year, the level of sales of playing fields is still quite high. The Secretary of State for Culture, Media and Sport told the House last March that there had been 807. Many of those sales helped to contribute about £200 million to new investment in sport, but many did not.

I suspect that the Minister can already hear the howls of protest from the Local Government Association, but that is a £15 million lobbying organisation. The people of Hodge Hill have only me to speak on their behalf in this House, and they will not abide a gain drain from our community where deals are done with developers and the money banked away to make good service failure elsewhere.

I recognise that that is an ambitious agenda, and I do not expect or ask the Minister to give definitive answers tonight, but I would be grateful if he undertook to consult colleagues in the DFES, the Home Office, the Department for Culture, Media and Sport and the Office of the Deputy Prime Minister, and come back to the House with a considered view. One opportunity to do so may well arise from the forthcoming youth Green Paper. This morning at half-past 10, the Minister for Children, Young People and Families, my right hon. Friend the Member for Barking (Margaret Hodge), underlined the Government's commitment to young people and reminded us that if we talk to any mum or dad, we find that what they say would most improve family life is the provision of places to go and things to do. If we talk to any teenager, we find that they voice the same plea. That is the broader point of principle, which is why I bring the matter to the Floor of the House.

Sport is not only vital in our war on yobs; it is vital to the future of our young people. Seven million adults and 5 million children play football in our country, but FA research shows that we need £2 billion of investment in grassroots facilities, such as the fields of Brockhurst, just to keep up with the current demand to play the game. If we are to be successful in prosecuting our war on antisocial behaviour, we have got to give young people more to do, and sport is one of the most effective ways known to policy makers of diverting youngsters away from crime.

Moreover, when I talk to head teachers, and great educationalists such as George McHugh, the outstanding head teacher of Washwood Heath technology college, who I very much hope will serve our community for some years to come, they say to me that sport is vital to the development of our children's characters. Our young people deserve our investment. This is a Government who have made great strides in the last seven years. I urge the Minister to finish the job and, in so doing, to stand on the side of our community in Hodge Hill.

7.38 pm

The Parliamentary Under-Secretary of State for Education and Skills (Derek Twigg): I congratulate my hon. Friend the Member for Birmingham, Hodge Hill (Mr. Byrne) on securing this debate on an issue that is important nationally and locally. In the short time that he has been here he has already proved himself a strong advocate for his constituents and a hard-working MP.

We have not yet received an application from Birmingham city council in respect of the Brockhurst playing fields. Even so, I am sure that my hon. Friend realises that I could not, in any case, comment on the merits of any particular application before my right hon. Friend the Secretary of State for Education and Skills has had an opportunity to consider it, as decisions on such applications may be subject to challenge in the courts.

However, an application is required only if the land has been used as playing field by any maintained school in the 10 years before the date of the proposed sale. I understand that there may be some doubt about whether the Brockhurst playing fields have been used as school playing fields in the last 10 years, and that Birmingham city council is looking into the question. If they have been used, Birmingham city council will require permission from my right hon. Friend the Secretary of State for Education and Skills before it can sell them. Any application to sell the playing fields will be considered against the same criteria as all similar applications.

I am pleased to have the opportunity to set out the Government's position on the protection of school playing fields. I believe that the Government's record is exemplary. Before 1998, there was widespread concern about the indiscriminate sale of school playing fields. There was no protection—nothing to stop local authorities selling off school playing fields and using the money for whatever they wanted. No one even bothered to monitor how many were being lost, so we will never know the true extent of the folly. By contrast, we recognised and shared the widespread concern about school playing fields, which is why in October 1998 we introduced the first ever legislation to stop the indiscriminate sale of school playing fields. Authorities must now seek the consent of my right hon. Friend the Secretary of State before they can sell off any school playing field.

Contrary to what many people appear to believe, we never promised to stop the sale of school playing fields altogether. What we said was that we would bring to an end the policy of forcing schools to sell their playing fields. We have fulfilled that commitment. There has been a massive investment in school buildings—it has increased from £683 million in 1996–97 to £4.5 billion in 2004–05, and it will increase further, to £6.3 billion by 2007–08. It has increased sixfold in real terms over that period. Direct capital funding to all schools will exceed £1 billion by 2007–08, when a typical secondary school will receive about £113,000 and a typical primary about £34,000. All local education authorities and diocese will benefit from substantial delegated funding for their local priorities and needs. Schools therefore no longer have to sell off their playing fields to pay for repairs.

However, not every part of every school playing field will always be needed. Some fields are genuinely surplus to school and community needs, particularly if the school has closed. In such circumstances, it makes sense to permit the sale of such surplus or unwanted assets and to reinvest the proceeds in better sport and education facilities. In July 2001 we set up the School Playing Fields Advisory Panel to provide expert advice. That independent panel is made up of key organisations with a keen interest in playing fields: it includes representatives from the National Playing Fields Association, the

Central Council of Physical Recreation, the education organisation Learning through Landscapes, the National Association of Head Teachers and the Local Government Association.

The panel provides independent advice on the extent to which applications to dispose of school playing fields meet the published criteria. All applications are considered against three main criteria: first, that playing field provision and curriculum requirements at the school making the disposal and at other schools in the local area are met; secondly, that community use of a school's playing fields is taken into account, with alternative facilities made available if necessary; and, thirdly, any sale proceeds must be used to improve outdoor sports provision wherever possible. No application will be approved unless it meets all three criteria.

The result has been a steady year-on-year decline in the number of applications to dispose of school sports pitches, down from 41 in 1998–99 to only 17 in 2003–04. I mention sports pitches because that is what most people see when they think of school playing fields. The sports pitches that we talk about in our figures refer to those school playing fields capable of forming at least a small football pitch of only 2,000 sq m. I understand that that is the smallest size of sports pitch recommended by the Football Association for children under 10.

Between April 2003 and March 2004, which is the last complete financial year, the Department received only 17 applications that would result in the loss of playing fields capable of forming at least one of those small sports pitches. In nine cases, schools no longer used the playing fields. Of the 17 applications, three have been withdrawn and 13 approved. We are still scrutinising the remaining application. Of the 13 approved applications, six concerned redundant playing fields at closed schools that were not wanted by any other local schools. In six of the other seven cases at operating schools, the sale proceeds are to be used to provide new or improved sports facilities, such as all-weather pitches, new sports halls or better grass pitches. In one of these cases, the land itself is to be used for improved sports facilities. In the remaining approved case at an operating school, the proceeds are to fund better education facilities at the school.

Last year, in partnership with the National Playing Fields Association, we strengthened the criteria yet further to make it crystal clear that the sale of a school playing field should be a last resort, that proceeds must be used to improve outdoor sports facilities wherever possible, and that new facilities must be sustainable for at least 10 years. That provides the greatest ever protection for school playing fields. In the current financial year, only 10 applications have so far been lodged, compared with 41 in 1998–99 and the hundreds or perhaps thousands that were lost in the 1980s and early to mid-1990s, before we acted.

The Government's school sports strategy, jointly led by the Department for Culture, Media and Sport and the Department for Education and Skills, is to build a national infrastructure investing in human capital, to transform PE and sport; to make a step change improvement to school sports facilities; to deliver professional development to enhance expertise and subject knowledge; to strengthen links between schools and clubs to create a culture that supports children's participation in sports clubs and offers young people leadership and volunteering opportunities to improve their skills and employability; to ensure better support for our most talented young athletes—our future Olympians—to help them excel in sport and education; and to provide the strongest ever protection of school playing fields.

School sport has a proven and essential role to play in raising standards and improving the health of the nation, not least by tackling childhood obesity. That is why protecting school playing fields is a major factor in our strategy. However, there are still concerns about even the small number of school sports pitches that are being lost. People should remember that almost half the cases being approved involve playing fields at closed school sites. These are unused by schools, and it is far better to release the capital investment put into them by schools and education authorities and to put that funding back into better, modern school sports and educational facilities that are fit for the pupils of today. Sale proceeds are ploughed back into providing all-weather pitches, better grass pitches, modern sports halls, multi-use games areas, and modern playgrounds for younger pupils. Where schools already have access to first-class facilities like these, the proceeds must be used to provide better educational facilities, such as new schools, new and better classrooms, and language and science suites.

I take the opportunity to dispel another myth. We have never allowed any operating school to sell off all its playing fields. Where applications involve pitches at operating schools, the land must be genuinely surplus. We do not allow schools to sell land that they need. They must keep at least the statutory amount set out in the Education (School Premises) Regulations 1999.

Mr. Peter Kilfoyle (Liverpool, Walton) (Lab): I am loth to intrude on my hon. Friend's excellent presentation of policy, which is no less than we would expect, but when considering the loss of school playing fields, will he consider the Dixie Dean field in my constituency, which he knows well and which is being sold off for the purpose of building a new academy?

Derek Twigg: I shall speak to my hon. Friend outside later.

We are often asked why so few applications to dispose of school playing fields are rejected. The answer is that local authorities and schools pursue only those that they consider meet the tight rules that we have put in place. There is no point in their putting forward applications that they know do not meet the criteria. The main point is that the number of applications has declined, not that the number of applications rejected is low. We should not, therefore, read anything into the fact that few applications are rejected.

In conclusion, a great deal has been done, and continues to be done, to protect school playing fields. We are also investing heavily to support PE and school sport. Between 2003 and 2008, we will have invested more than £1.5 billion to boost PE and school sport. We are promoting a massive expansion of the specialist sports college and school sport partnerships programmes. We aim to have 400 sports colleges or

[Derek Twigg]

academies with a sports focus by 2006—that is one in nine of our secondary schools. Clustered around each sports college we are establishing a network of school sport partnerships—families of schools that receive additional funding to enhance sports opportunities for all children. More than 50 per cent. of schools in England are already within the network of created partnerships.

More than 1,700 secondary co-ordinators and 10,300 primary and special school link teachers have been appointed and are in place within the partnerships. They are sharing best practice, organising competitions and activities, and building and strengthening subject leadership, particularly in the primary sector. By 2006, all maintained schools in England will be within a school sport partnership.

PE and sport have an important role to play in raising standards. Work undertaken by the Qualifications and Curriculum Authority has shown how placing PE and sport at the heart of a broad and balanced curriculum can improve attendance, behaviour and attainment. PE and school sport build self-esteem, teamwork and leadership skills. PE and sport are also important because they can help build an inclusive society, raise levels of participation in sport after pupils leave school and positively affect the health of the nation.

That is why PE is compulsory within the national curriculum at all key stages for all pupils, and that is why there is a statutory duty on education authorities to provide access to at least a minimum amount of team game playing fields, based on the type of school and the number of pupils. That is also why we put so much emphasis on protecting the playing fields that schools use and re-investing proceeds whenever possible into giving schools first-class sports facilities.

Our policies not only ensure that schools keep the playing fields they need to meet their own future needs, but the needs of their neighbouring schools. We will continue to work with our partners in the education, voluntary and local government sectors to keep our policies under review to ensure that all pupils have access to the best school sports facilities that schools and authorities can provide.

Question put and agreed to.

Adjourned accordingly at nine minutes to Eight o'clock.

House of Commons

Thursday 20 January 2005

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

EDUCATION AND SKILLS

The Secretary of State was asked—

Truancy (East Anglia)

1. **Mr. Henry Bellingham** (North-West Norfolk) (Con): What plans she has to reduce the levels of truancy in schools in East Anglia. [209673]

The Secretary of State for Education and Skills (Ruth Kelly): This is the first Government to put school attendance at the heart of policies for improving standards and pupil achievement. Our measures provide both support for pupils and their parents, and sanctions to reinforce parental responsibility. In 2003–04 school attendance increased for the third consecutive year to a record high of 93 per cent. On average 40,000 more pupils are attending school every day than in 1996–97.

Mr. Bellingham: I congratulate the right hon. Lady on her well deserved promotion and wish her well in her task ahead. Will she join me in thanking and paying tribute to all the head teachers in my constituency who have been working tirelessly to reduce truancy levels? They are doing their level best and working with Mrs. Val Creasy, the new education officer dealing with attendance. What progress are the Government making in reaching their targets? Does the right hon. Lady agree that today's school drop-out is all too often tomorrow's criminal?

Ruth Kelly: I thank the hon. Gentleman for his kind words and pay tribute to him for the seriousness with which he approaches the subject. He is right to say that we must tackle absence. If we are to have an effect on the next generation, we must make sure that children get to school. We are the first Government to have invested directly in anti-truancy measures. The hon. Gentleman is also right to draw attention to the fact that there is a stubborn, persistent number of children who are serial truants. We have to tackle that. The proportion has remained about 0.7 per cent. since records began. It is clear that schools are cracking down, and the number of authorised absences has fallen dramatically. Again, I congratulate the teachers and the local authority in the hon. Gentleman's area, who are doing everything they can to make sure that children attend school and are ready to learn.

Mr. Tim Collins (Westmorland and Lonsdale) (Con): I, too, congratulate the Secretary of State on her promotion. As she and I have something in common, in that we both have young children, I am sure that our commitment to raising educational standards for everybody is shared, and is total. On the subject of truancy in East Anglia and elsewhere, does she agree that one of the measures necessary to reduce truancy is to give children a disciplined environment where they feel safe? I am sure that parents in East Anglia and elsewhere will agree with what she said, as reported in one of this morning's newspapers:

"Head teachers must be able to exclude difficult pupils."

Why, then, earlier this week, did the Minister in her Department block an amendment in the other place that would have given head teachers the final say on exclusions?

Ruth Kelly: I thank the hon. Gentleman, too, for his kind words. As a parent, I share his objectives of good discipline in the classroom and good teaching, and children learning in a good learning environment. Over the next few weeks and months I intend to draw attention to Conservative policies, which would wreak havoc on our plans for school discipline, on our measures to tackle truancy and open up university access for all children, and on our support for working parents in East Anglia and elsewhere. *[Interruption.]* My hon. Friend the Member for Thurrock (Andrew Mackinlay) is drawing attention to them, too.

The hon. Member for Westmorland and Lonsdale (Mr. Collins) is right to say that children are entitled to a good disciplined learning environment. I am surprised that he criticises Labour's measures to ensure that there are fair admissions procedures, which are supported by Kent and Surrey county councils, among others, and head teachers in those Conservative councils are saying the Government are doing exactly the right thing. Yes, we must back head teachers in making disciplinary decisions, and in the decisions that they take on exclusions. We must also ensure that parents take their responsibilities seriously and get their children into school, with respect for learning and ready to learn.

Mr. Collins: One gathers that the Secretary of State wants to back head teachers on expulsions, but does not want to give them the power to take the final decision. That is very disappointing, but exactly in line with her predecessors. With reference to truancy in East Anglia and elsewhere, does she agree that head teachers wanting to raise standards will give a wide welcome to her statement, again reported in one of this morning's papers:

"We want popular schools to expand more quickly"?

Why, then, under her Government, have only four schools in eight years been funded to expand?

Mr. Speaker: Order. I have tried to give a little leeway, but that goes far beyond the question before us.

Mr. Phil Willis (Harrogate and Knaresborough) (LD): I, too, begin by welcoming the new Secretary of

State and wishing her every success. It is no advantage to any hon. Member if a Secretary of State fails in such a key policy area. Now that she has launched the general election campaign on East Anglia schools, does she agree—judging by her comments at the North of England education conference, I hope she will—that one of the key groups for increasing student attendance and dealing with truancy is parents? Parents in East Anglia and elsewhere must be able to be involved in what happens in schools. Can the Secretary of State therefore explain why the number of parent governors in the new foundation-status schools will be reduced from one third of the governing body to one, and why academies will have no parent governors—

Mr. Speaker: Order. I call Andrew Mackay.

Ruth Kelly: Thank you, Mr. Speaker—I am enjoying these questions already.

Bullying

2. **Mr. Andrew Mackay** (Bracknell) (Con): What measures the Government are taking to tackle bullying in schools. [209674]

The Secretary of State for Education and Skills (Ruth Kelly): We take all types of bullying seriously, and attach unprecedented importance to tackling it. In November 2004, the first ever national anti-bullying week was launched, featuring a variety of events including a Radio 1 campaign and a new public information film. From November this year, anti-bullying week will become an annual event. We have also launched the anti-bullying charter and a programme of regional conferences for head teachers and local education authority representatives.

Mr. Mackay: As there is nothing more unacceptable in our schools than bullying and there should be zero tolerance of it, does the Secretary of State really think that having an anti-bullying week or an anti-bullying charter is sufficient? Do we not need to do much more? Does she agree that a high level of bullying is a clear sign of a poor and failing school?

Ruth Kelly: Hon. Members may be surprised to hear that I agree with the right hon. Gentleman to a large extent. We must tackle bullying and create a culture in which every child is valued; indeed, we must have zero tolerance of bullying. There is a clear link between schools with a good record on bullying and attainment in those schools, as well as between LEAs with a good record on tackling bullying in schools and attainment in those LEAs. We have to create a new culture. I pay tribute to the work led by the Under-Secretary of State for Education and Skills, my hon. Friend the Member for Bury, South (Mr. Lewis), who has personally taken charge of this programme. Pioneering work is taking place. Head teachers, and indeed pupils themselves, are telling the Department that they now realise that bullying must be tackled, and that they will stand up and fight it wherever it occurs.

Kali Mountford (Colne Valley) (Lab): I congratulate my right hon. Friend on her richly deserved new position, and I am pleased to see her in her place. My right hon. Friend takes a keen interest in the welfare of children during the school day. Is she concerned, as I am, that some schools' approach to bullying is inconsistent with that of others that are more successful? The kind of school day that children have affects their home life, and can lead to truancy if they are too miserable to continue to go to school. Is it not important that we take a consistent and sustained approach to ensure that all schools engage with the problem, particularly through peer mentoring and other approaches that gather all pupils into the fold?

Ruth Kelly: I completely agree with my hon. Friend. Children tell us all the time that this matters to them. Not only do they not want to be bullied themselves, they want to learn in an environment where there is no bullying, and no toleration of bullying. That is why we are trying to change the culture, and learning mentors and support in the classroom have an important role to play. As a Government, we have secured a broad consensus across groups, working with teachers organisations as well as the voluntary sector and the Anti-Bullying Alliance. Many schools are signing up to the anti-bullying charter, and I should like that to be widespread across the country.

Mr. Patrick McLoughlin (West Derbyshire) (Con): But should not head teachers have the right to expel children who are bullying, without being second-guessed by another body?

Ruth Kelly: Head teachers do that. If the hon. Gentleman is referring to Conservative proposals to get rid of independent appeal panels, may I remind him that only 149 out of 9,290 permanently excluded pupils were reinstated by that process? Everyone can see that the facts speak for themselves.

Ms Sally Keeble (Northampton, North) (Lab): I join others in congratulating my right hon. Friend on her promotion. Is she aware that there have been problems with bullying, and wider disciplinary problems, in some Northampton schools, partly as a result of reorganisation? I agree that heads should be able to exclude pupils, but should there not be facilities outside schools so that children who are excluded can be picked up, receive a good education and return to mainstream schooling as quickly as possible, which is in their long-term interests?

Ruth Kelly: I thank my hon. Friend for her kind words, and I entirely agree with her question. We are making real efforts to tackle bullying and I think that that is having an impact on schools, but of course there is much more to be done. For instance, teenagers should be able to engage in activities not just at school but outside. I shall return to that subject in due course. I recently looked at evidence from surveys in which parents were asked what they wanted, and top of the list were things for their teenage children to do. This Government are prepared to do something about that, whereas the Conservatives refuse to take it seriously. They would slash local education authority budgets, and they say that they would not protect any of the money that goes into such programmes.

Angela Watkinson (Upminster) (Con): I, too, welcome the Secretary of State to her new post. Most

schools take bullying very seriously, and their policies enable victims to report incidents on a confidential basis. They also provide staff and pupil mentors to counsel both victims and bullies, which is important. The most insidious form of bullying, however, is unseen and sometimes occurs outside school. Does the Secretary of State acknowledge the important role of parents in tackling this problem? Without that role, policies implemented in schools would be hampered. In the interests of ensuring that parents accept responsibility for their children's unacceptable behaviour and for trying to modify it, will the Secretary of State give teachers the freedom and flexibility to draw up enforceable home-school contracts and to have the final say on exclusions, by scrapping independent appeal panels?

Ruth Kelly: We have come to the independent appeal panels at long last! I have quoted authoritative figures showing that head teachers have the power to exclude pupils. The hon. Lady is right, however: we must take every child seriously. My right hon. Friend the Minister for Children, Young People and Families has been promoting that agenda, and we have published proposals entitled "Every Child Matters". In future, the role of local authorities will be to ensure that the needs of every child are met, both academically and in terms of their overall welfare. I should like the hon. Lady to confirm, now or later, that the Conservative party would keep education welfare officers at local authority level—or would it scrap them?

Apprenticeships

3. **Mr. David Kidney** (Stafford) (Lab): What proportion of apprenticeships have been commenced in the manufacturing sector in England in each of the last three years. [209675]

The Secretary of State for Education and Skills (Ruth Kelly): The Learning and Skills Council collects data by broad area of learning. Of the apprenticeships started in 2002–03, 17 per cent. were in the engineering, manufacturing and technology area of learning. In 2003–04, the proportion was 18 per cent. Data for previous years are not available on a consistent basis.

Mr. Kidney: I am delighted to welcome my right hon. Friend to her new position. Tomorrow in Stafford I shall host, with Perkins Diesel, a seminar on apprenticeships in manufacturing. Does my right hon. Friend agree that after the Tories in government devastated manufacturing and apprenticeships, Labour in government restored both to good health? Manufacturers attending tomorrow's seminar can be confident that British manufacturing has a bright future, and that they therefore can and should invest in apprenticeships.

Ruth Kelly: I pay tribute to my hon. Friend and to the work that he does with representatives of the manufacturing sector in his constituency, which I have had the pleasure of visiting twice. He is right to pay attention to the role that apprenticeships will play, particularly in the manufacturing sector. The Government have set up sector skills councils, which will take forward a programme to ensure that the vocational education, training and apprenticeships that we are delivering are relevant to the employment that young people will later enter. Overall, the number of young people participating in apprenticeships has risen from 75,000 in 1997 to 242,000 today.

Bob Spink (Castle Point) (Con): The national employers' skills survey found that 2.4 million workers lacked the necessary skills to do their job. Does the Secretary of State agree that we need to focus on providing more support for modern apprenticeships? What will she do to provide more training places for plumbers, electricians and other trades in Essex, where there is a dire shortage of such skills?

Ruth Kelly: I agree that there are skills shortages, particularly in the manufacturing and engineering sectors. We need to raise skill levels so that we can compete on the basis of quality, not of price. We will not be able to do that unless more young people aim not only for level 2 but for level 3 and the specialised level 4 skills. I do not want to pre-empt any announcements that I shall make in the House in the weeks to come, but we intend to prioritise vocational skills and apprenticeships in response to the Tomlinson report on 14 to 19-year-olds' education, and we shall seek to take that even further in the forthcoming skills White Paper.

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I join other hon. Members in welcoming my right hon. Friend to her post. It is certainly richly deserved. I acknowledge the progress that has been made on the recruitment of modern apprentices. Does she agree, however, that in trying to fill the skills gap that still exists in manufacturing industry, it is necessary to raise the level of interest in manufacturing industry among high-quality young students in schools at a much earlier stage? Will she undertake to support initiatives that are designed to do just that?

Ruth Kelly: I completely agree with my hon. Friend. We need not only to raise the interest of young people in manufacturing as a career, but to give them experience of what it is like to work in the sector, if they feel attracted to it. That is why, in our response to the Tomlinson report, I shall seek to achieve just that, by ensuring that we put the same emphasis on vocational education and workplace experience as we do on the academic side. It is really important to the future of our economy that young people are allowed to raise their aspirations, so that they think it is worth continuing to learn and raise their skill levels, and end up with skills that are recognised and valued by employers.

Sir Nicholas Winterton (Macclesfield) (Con): The Secretary of State will be aware from her previous jobs that manufacturing industry is one of the main sources of sustainable non-inflationary economic growth. There is a college in my constituency that works in conjunction with BAE Systems and is known to be a centre of excellence for aerospace studies. I fully support the question that the hon. Member for West Bromwich, West (Mr. Bailey) has just asked the Secretary of State. What further initiatives are the Government prepared to

take to encourage young people to go into manufacturing and to undertake the apprenticeships that are so vital to the manufacturing sector?

Ruth Kelly: My hon. Friend the Minister for Lifelong Learning, Further and Higher Education, who is sitting beside me, tells me that the facility in the hon. Gentleman's constituency is indeed a very good one. Perhaps I shall have the chance to visit it at some point. I know that the hon. Gentleman shows a consistent interest in manufacturing, and he is right to draw attention to its needs and to say that we need to encourage young people into the sector. The Government are setting up sector skills councils, which bring together employers to identify the appropriate skill needs and to think of ways of tailoring to their needs courses that will be appreciated by young people.

The sector skills agreement, reached by the sector skills council—which, unfortunately, I believe the hon. Gentleman's party is set to abolish—provides a means for employers not only to shape training, but to challenge each other to work together and put funding directly into training, which is relevant to industry's needs and also offers ways into employment and future career progression for young people.

Higher Education (West Cumbria)

4. **Tony Cunningham** (Workington) (Lab): If she will make a statement on the development of higher education in west Cumbria. [209676]

The Minister for Lifelong Learning, Further and Higher Education (Dr. Kim Howells): The Higher Education Funding Council for England has been undertaking a review, in consultation with interested bodies, of higher education provision in Cumbria, including west Cumbria. Sir Howard Newby, chief executive of the funding council, met with local partners last week to discuss the outcome of that work and I expect that an announcement will be made soon on new plans for higher education in Cumbria, along with a timetable for implementation.

Tony Cunningham: A big thank you to my hon. Friend for that very encouraging reply. West Cumbria is one place in the country that does not have easy access to a university. Progress is being made in that direction, but will my hon. Friend and the Secretary of State take a personal interest in ensuring that the dream of a university in west Cumbria, which has long been held by many people, becomes a reality?

Dr. Howells: I take great pleasure in assuring my hon. Friend that I will take a personal interest in that matter, and I am sure that my right hon. Friend the Secretary of State will, too. There is no doubt that universities are great economic drivers, and regions that do not have universities are the poorer without them. In view of the great manufacturing and extractive industrial history of my hon. Friend's constituency and the surrounding area, the potential for a university there should be tapped, and we must ensure that it is. That applies especially to parts of industry that are in decline, such as the nuclear industry. It could provide a great research base for a university in Cumbria.

Foreign Languages

5. **Hugh Bayley** (City of York) (Lab): What proportion of A-level candidates took at least one foreign language in 2003–04. [209677]

The Minister for School Standards (Mr. Stephen Twigg): School and college performance data collected by the Department show that in the 2003–04 academic year, 9.8 per cent. of 16 to 18-year-old A-level candidates took at least one modern foreign language.

Hugh Bayley: Does my hon. Friend agree that we need to encourage more students who are doing A-levels in science subjects to continue to study a modern language? We live in a globalising world, and in a typical career nowadays, a scientist or engineer is likely to work in several different countries. We need to find more flexibility in the sixth-form curriculum to allow scientists to continue to study languages.

Mr. Twigg: I absolutely agree with my hon. Friend. When we look at the A-level figures, it is quite striking to see that there has been a slow decline in the number of young people taking A-levels in modern foreign languages. At the same time, however, the number going into higher education to study modern foreign languages has been broadly stable, and the number combining languages with other subjects in higher education is increasing. There are lessons to be learned from that positive experience of higher education, which we can apply to A-level study, as my hon. Friend suggests.

Mr. James Clappison (Hertsmere) (Con): Is the Government's decision to remove a modern foreign language from the core subjects of the national curriculum likely to improve the situation? The Minister has already admitted that the situation is fairly dismal, with the number of students opting for foreign languages at A-level declining year on year.

Mr. Twigg: I believe that we took the right decision, because languages are an option that many young people do not want to take at 14. If they have to, they may not only lose out themselves, but hold back other young people who are motivated to learn languages. The key to whether the hon. Gentleman is right lies much earlier in our schools system. That is why we are placing such great emphasis on primary school language teaching and learning.

Andrew Mackinlay (Thurrock) (Lab): Should we not be ashamed of the poverty of our foreign language teaching? I encourage the Minister to follow up what he said at the end of that answer. There is a great deal of evidence to show that the neurological development of children makes it much easier for them to learn foreign languages at infant and junior school level. That is buttressed by evidence from Welsh language schools, Scottish Gaelic schools and Gaeltacht in the Republic of Ireland, showing that people who learn foreign languages at a very early age prove more successful across the whole range of academia. We should

therefore be teaching French, German and other languages in our infant and junior schools for children of all abilities. That is where we need to make progress.

Mr. Twigg: My hon. Friend is right. In 2001 only one in five primary schools provided any foreign language teaching. I am delighted to inform hon. Members that the most recent survey suggests that that figure has doubled; indeed, it is now 44 per cent. That is not good enough, but it constitutes major progress by primary schools in the past three years. By 2010, we want every seven to 11-year-old to have the opportunity to learn at least one foreign language in classroom time, and we are working hard to achieve that.

Mr. Nigel Evans (Ribble Valley) (Con): We are a pretty lazy nation at learning languages. We think that everyone else should learn English and that we can simply sail along. When the Minister encourages young people to learn foreign languages so that they can go on to take A-levels and perhaps go into businesses afterwards, will he examine the teaching of Mandarin? China will be vital to the younger generations, and we need to train teachers now so that young people can learn Mandarin at an early age.

Mr. Twigg: This is a very consensual discussion; the hon. Gentleman is right. We are doing specific work on Mandarin now. When the languages strategy was first published, we talked about enabling children to learn a European language. We have revised our definition for several reasons, including the persuasive case for Mandarin to be part of that strategy. We would like that to be extended across the board.

6. **Mr. Andrew Dismore** (Hendon) (Lab): If she will make a statement on the teaching of modern foreign languages in schools. [209678]

The Minister for School Standards (Mr. Stephen Twigg): Since launching the languages strategy in 2002, we have trained more than 1,200 new primary language teachers and committed around £10 million to supporting early language learning initiatives. At secondary level, the key stage 3 strategy continues to have a positive impact on pupils' language attainment, while the alternative qualifications and vocational options at key stage 4 allow pupils more flexibility in their language studies.

Mr. Dismore: Two weeks ago, I joined French, German and Japanese classes for a day at Hendon school, a specialist language college. The teaching quality was excellent and teaching methods were in a completely different league from when I was at school. The teachers engaged students of all abilities effectively. Does my hon. Friend agree that learning a language is not only for able and enthusiastic linguists but that it provides a key life skill to enable all students to become effective world citizens? It should not be limited, because it enriches horizons and aspirations and has a positive impact on all aspects of the curriculum.

Mr. Twigg: I agree with my hon. Friend and I am delighted to join him in congratulating Hendon school on its success. We have 207 specialist language colleges, which are critical to providing the highest quality of language teaching and learning, not only in language schools but in others, including primary schools. I gave the figures for the increase in the number of language lessons in primary schools. Part of the explanation for that increase is that teachers from schools such as Hendon not only teach in their own schools but go out to neighbouring primaries and teach there.

Mr. Roy Beggs (East Antrim) (UUP): We in Northern Ireland, on a small island, have realised for a long time that we must pay attention to foreign languages. Indeed, in many primary schools foreign languages are exciting for our children. We must get away from the stiff, academic approach. Does the Minister agree that the involvement of assistants from overseas plays a big part in making foreign languages real? Can we do more to encourage more schools to involve foreign language assistants?

Mr. Twigg: Yes, the hon. Gentleman is right to talk about making language learning exciting. Part of the reason for our action on language teaching for 14-year-olds was because of the number of young people who were demotivated and switched off. We need to start teaching and learning earlier, but we must also use work force reform as an opportunity to bring others into the classroom, including the language assistants to whom the hon. Gentleman referred. I have seen some great examples of schools in this country being twinned with schools in Spain. There is a positive process for the development of the teachers' skills and for better learning opportunities for the children and young people.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): Will my hon. Friend join me in congratulating Montgomery high school in Blackpool? It is a language college, is actively engaged with primary and secondary schools across the whole town, and is also twinned with schools in other countries. With the council, it has embarked on an exciting initiative to send pupils to Bottrop, Blackpool's twin town, for a week's work experience. That means that students have to use their language skills in a work placement in a foreign country.

Mr. Twigg: That is excellent. I am delighted to congratulate Montgomery high school in my hon. Friend's constituency, which offers a really good example of what I referred to when I spoke about the 207 specialist language colleges. We must encourage schools to have direct links with schools and communities in other parts of the world. That is why, late last year, we launched the "global gateway", which is a very good way of promoting more understanding and of breaking down barriers between people. It is also a way to encourage the excitement about language learning that a number of hon. Members have mentioned.

Miss Anne McIntosh (Vale of York) (Con): I speak some foreign languages, which I found immensely useful in my legal practice work in Brussels and in the European Parliament. Will the Minister reverse the Government's decision to end compulsory language

teaching for 14 to 19-year-olds? It has had a dire effect on the number of people studying languages and, as a result, on the business community around the country. Is he concerned that the students who drop out of school foreign languages classes tend to be boys rather than girls?

Mr. Twigg: I am concerned about the second point that the hon. Lady raises. We intend to address the problem, but there is no intention to reverse the proposal to which she referred. We want there to be more choice and flexibility in the phase of education for 14 to 19-year-olds. We do not want to return to greater compulsion being placed on schools and learners, and I do not think that the way to improve our country's very poor record on languages is to force young people aged 14, 15 or 16 to do them against their will. We must do it by tapping into the excitement evident at a younger age, which is why our strategy deliberately focuses on primary school language teaching and learning. That is where we are putting in resources, and our approach commands very wide support.

Planning and Co-ordination

7. **Mr. David Watts** (St. Helens, North) (Lab): What structures are in place to assist liaison between learning and skills councils and local education authorities in planning and co-ordinating 11 to 16 and post-16 education and training. [209679]

The Parliamentary Under-Secretary of State for Education and Skills (Derek Twigg): There is a range of locally agreed mechanisms to support such collaboration. Local authorities are represented on local learning and skills councils. Many areas have 14 to 19 steering groups, normally jointly led by local education authorities and local LSCs, in particular to oversee the development and implementation of area inspection action plans. Local LSCs are required to consult all stakeholders, including LEAs, in strategic area reviews of post-16 provision. LEAs are required to consult LSCs in school organisation and capital planning.

Mr. Watts: I congratulate my hon. Friend on his appointment to the Front Bench, and thank him for that response. Two reviews are taking place in St. Helens at present, one of schools and the other of post-16 provision. What advice can he offer about how organisations can ensure that they work together and produce the best options for parents and young people?

Derek Twigg: I thank my hon. Friend for his kind comments. I can give a clear example of what he seeks. The increased flexibility of the programme for 14 to 16-year-olds is an excellent example of how local LSCs and LEAs work together constructively in local partnerships to improve learning opportunities for young people. The scheme is in its third year, with about 300 partnerships in existence. There are some partnerships in every LSC area, and they involve more than 90,000 young people from 2,000 schools.

Mr. David Heath (Somerton and Frome) (LD): I, too, welcome the Minister to his post. Will he look again at the changes being made to the Connexions service, especially in respect of careers advice in schools? Real problems are being caused in many of the schools in my constituency, and I suspect that the same is happening elsewhere. I understand the concentration on helping pupils of modest achievements, but all the students in a college like Frome community college need careers advice. However, the college has lost its specialist careers adviser, which means that it has lost an essential ingredient in ensuring that young people are directed towards the right training and higher education after the ages of 16 and 18, and towards the right future career paths.

Derek Twigg: The hon. Gentleman raises a very important matter. We are reviewing the situation, and will make an announcement shortly.

Mr. Kelvin Hopkins (Luton, North) (Lab): I, too, congratulate my hon. Friend on his promotion. He may be aware that Luton recently had a difficult 14 to 19 inspection, but that is countered by good news, because Barnfield college and Luton sixth form college in my constituency both received grade 1 in their inspection and are both now beacon status colleges. Also, two high schools have now left special measures and are making strong progress. Does my hon. Friend agree that the problems in 14 to 19 education derive mainly from problems in primary education 10 and more years ago, now that that cohort has reached the 14 to 19 stage? The Government's correct emphasis on primary education will feed through and lead to improvements in the future.

Derek Twigg: I congratulate the schools in question, which have obviously done a very good job. We have to get the basics right, and our literacy and numeracy strategies have been working well. Standards are at their highest ever. Starting with Sure Start, we are making sure that that goes right through schooling.

Tuition Fees

8. **Mr. David Rendel** (Newbury) (LD): If she will make a statement on tuition fees for postgraduate certificate in education courses. [209680]

The Minister for Lifelong Learning, Further and Higher Education (Dr. Kim Howells): In the context of the fascinating discussion that we have heard this morning about the use and importance of modern languages, I apologise in advance for the hideously opaque language of the answer I am about to read out. Tuition fees are currently remitted for eligible trainees on postgraduate certificate in education courses. Other forms of support are also available. For the future, providers of initial teacher training will be able to charge variable fees to PGCE trainees, but we are working on the basis that when variable fees are introduced the first £1,200 of the £2,700 maintenance grant will be non-means-tested for PGCE students. That matches the current grant for PGCE students and if, in the light of the "Gateways to Professions" report, we decide to make changes to the support arrangements, they will be announced in due course.

Mr. Rendel: I am grateful to the Minister for that slightly complex answer. At least we now know a little

more about what will happen. Does he agree, however, that given that those on the graduate training programme do not have to pay for the costs of their training, there will be an anomaly with those who are on the PGCE course and charged variable fees, even if part is remitted?

Dr. Howells: I think that the graduate training programme has been an enormous success so far. The news today is that lots of quite senior professionals are going into teaching. They have decided to take up teaching as a career—and it is a great career. I can reassure the hon. Gentleman that we will take every precaution to ensure that anomalies do not exist and that we see a good take-up of PGCE places, with a good supply of teachers in the future.

Mr. Graham Allen (Nottingham, North) (Lab): Does my hon. Friend accept that the other side of the tuition fee argument is the restoration by this Government of the student grant? He will have seen yesterday that my constituency sends the fewest youngsters to university of any in the United Kingdom. In a poor constituency such as mine, 60 per cent. of youngsters would qualify for a full grant and an additional 36 per cent. of youngsters for a partial grant. That is the best way to crack the problem of getting young people from deprived backgrounds into higher education.

Dr. Howells: Yes, and I know that my hon. Friend is passionate about working with all the bodies in his constituency and the wider region to try to increase applications to university. He knows, as I do, that the task is very complex, because it means addressing the most pernicious problem of poverty of aspirations in so many of our communities in areas such as the one that he represents. That is the great task before us, but I am convinced that all of the measures we have introduced will help.

Chris Grayling (Epsom and Ewell) (Con): This is bad news for our student teachers—fourth-year students who have already run up the costs of three years at university, and who will now see a significant increase in their debt. That means that fewer people will come forward to do those courses. Where will it stop? Will it be radiographers and doctors next? Do the Government plan to remove all the concessions on fees? When will the Government understand that it is our public services and recruitment to teaching and national health service jobs that will suffer from their ill-thought-out policies on fees? I say to all those student teachers who will suffer from this measure that the Conservatives in government will reverse them.

Dr. Howells: I know that we all have problems with language from time to time, but that was speaking with a forked tongue with a vengeance. That lot want to cut the number of teachers and cut public services, and they will do it. Let nobody be taken in by their weasel words of sympathy for teachers and those in education. The Conservatives will cut public services; they always do. They did it in the 1990s and they will do it if they are ever elected again.

Mr. David Drew (Stroud) (Lab/Co-op): I congratulate my hon. Friend on getting angry about that issue; it is vital that we bring more people into teaching. As the balance has changed and more people are coming into teaching through the PGCE route, will he assure me that he will keep an eye on the situation and undertake detailed research so that people are clear about what they are sacrificing by coming into teaching—the balance of funding in terms of the jobs given up as more and more mature students go into teaching and the costs of going into the profession? Will my hon. Friend assure me that he intends to undertake that detailed research?

Dr. Howells: I can give my hon. Friend that assurance, but I must tell him that I do not think that it is a sacrifice to take part in higher education and to invest in one's own future. Frankly, a lot of drivel is talked about that. When people take part in higher education they do so in the good knowledge that it will cost them something, but that it is the best investment they will ever make and that they will be given the best help they are ever likely to get in their lives. We shall keep a close eye on the situation, but we will also ensure that people are not put off either by scaremongering stories or by misconceptions about what entering higher education entails and that they know the good it can do for every individual in the country.

League Tables

9. **Mr. Graham Brady** (Altrincham and Sale, West) (Con): If she will make a statement on the relative performance in the value-added league tables of education authorities that operate selective and non-selective policies. [209681]

The Parliamentary Under-Secretary of State for Education and Skills (Mr. Ivan Lewis): Between key stage 2 and age 15, pupils in wholly selective local education authorities made more progress than pupils in partially selective or non-selective authorities. On average, that extra progress equates to pupils in wholly selective LEAs achieving approximately two grades higher in one GCSE than in non-selective LEAs. However, between key stage 3 and age 15, there was little difference between LEAs. Value-added measures currently take no account of the proportion of pupils in schools who are especially vulnerable, including children with special educational needs and children in care.

Mr. Brady: I am grateful to the Minister for confirming that selective areas perform better than comprehensive areas on the value-added measures. In fact, five of the top 10 LEAs use selection. Grammar schools perform much better than comprehensive schools and secondary high schools perform as well as comprehensive schools. Is not it true that for those of us who did not have the advantage of the expensive public school education of the Secretary of State for Education and Skills and the Prime Minister, selective schools and selective education areas offer better results to children throughout the country? Is not it time that the Government dropped their mindless opposition to grammar schools and allowed them to expand in the same way as other good schools?

Mr. Lewis: The real issue is that the education policies of the Secretary of State and the Prime Minister are

about supporting every child in fulfilling their potential, in stark contrast to the Conservatives when they were in government. Of course, we celebrate the achievements of all schools in this country, but I am disappointed that the hon. Gentleman did not focus on the big story that is emerging from our education system: inner-city schools are performing at the levels we have wanted for decades, directly as a result of the Government's investment and reform programme. We shall accelerate that programme, for the development of foundation specialist schools and new city academies and to reform the curriculum and qualifications for 11 to 19-year-olds.

Let us be clear about the dividing line between the two parties on these issues. The Conservatives want to introduce selection at five and reintroduce selection—

Mr. Speaker: Order. I call Dr. Iddon.

Dr. Brian Iddon (Bolton, South-East) (Lab): Is not it true that in a selective system certain values can never be added for the children who fail 11-plus education, because in local authorities that operate selective systems better resources are concentrated in the grammar schools? By that, I mean things such as better science facilities, better science and language laboratories and even better sports facilities. I speak from personal experience.

Mr. Lewis: I agree entirely with my hon. Friend. The Government's vision is that parents in every community should have a choice of high-performing, diverse schools and that high standards and high expectations should to be applied to all students, not just a few. That shows the difference of vision between the Labour party and the Conservative party in respect of the education system and the best interests of young people and the knowledge economy.

School Meals

10. **Ann Winterton** (Congleton) (Con): What recent assessment she has made of levels of nutrition in school meals. [209682]

The Minister for Children, Young People and Families (Margaret Hodge): The Department for Education and Skills and the Food Standards Agency assessed secondary school lunch standards and reported their findings in July 2004. As a result, we have invested £1.1 million to tighten up current secondary school lunch standards to reduce sugar, salt and fat intakes; to evaluate primary school lunch standards; to improve training and support for school catering staff; to support head teachers and governors to purchase in a better way a healthy lunch service; and to set standards for other school food.

Ann Winterton: Does the Minister agree that, although the primary responsibility for children's nutrition should lie with parents, that principle should be followed in both primary and secondary education? Is she aware that many primary schools already provide fresh, home-cooked meals that are healthy and nutritious, often with ingredients such as locally sourced meat and fresh vegetables, thus aiding pupils' ability to concentrate and therefore to learn?

Margaret Hodge: We can end this set of questions with total agreement. I agree with everything that the hon. Lady says about the role of parents and schools and about the importance of healthy food in stimulating and supporting children's good development in every sense.

SOLICITOR-GENERAL

The Solicitor-General was asked—

Animal Rights Extremism

20. **Mr. Ben Chapman** (Wirral, South) (Lab): What powers are available to prosecute those involved in activities linked to animal rights extremism. [209665]

The Solicitor-General (Ms Harriet Harman): Where animal rights extremists commit criminal offences, they will be prosecuted. They are mostly prosecuted for violence, threats of violence, offences under the Protection from Harassment Act 1997, criminal damage and public order offences.

Mr. Chapman: Is my right hon. and learned Friend aware that, in a report published yesterday, the Association of the British Pharmaceutical Industry listed 177 cases of damage to company, personal and private property and 100 threatening phone calls to companies engaged in animal research? Although we all accept that testing on animals should be carried out only when there is absolutely no alternative, does she agree that it is high time that those thugs and criminals were brought to book? They are terrorising hard-working, sincere people and threatening our science base.

The Solicitor-General: I absolutely agree with everything that my hon. Friend has said. We strongly support people's right to express their views, to demonstrate and to protest, but that does not extend to committing criminal offences against perfectly lawful and, indeed, important industries—the pharmaceutical and biotechnology industries—and we will protect them in carrying out their lawful and important work against criminal acts.

Mr. Dominic Grieve (Beaconsfield) (Con): The Solicitor-General knows that those who carry out such acts are extremely adept at working their way around the system, switching from primary to secondary targets often on the fringes of illegality and, sometimes, stepping well over the line. What steps are being taken to ensure a uniformity of approach by Crown prosecutors and, in particular, in the role of special prosecutors in dealing with such activities? I understood that the Government were going to place such things in the hands of special prosecutors, but the evidence that is coming back to us shows that there is still a great deal of patchiness across the country in the way in which those problems are being approached.

The Solicitor-General: The Attorney-General has taken the chair of a national policy forum on animal rights extremist crime that brings together the police, the prosecutors and Departments such as the Department of Trade and Industry, the Treasury and the Home Office, precisely to ensure that we have a national

strategy to deal with what the hon. Gentleman rightly suggests is highly well-organised, sophisticated crime. It is also important that the Crown Prosecution Service plays its part nationally and that all the areas are involved. Such work is under way, and I entirely agree with the hon. Gentleman about the approach that we need to take.

Crime Prevention Partnerships

21. **Hugh Bayley** (City of York) (Lab): What role local offices of the Crown Prosecution Service play in crime prevention partnerships. [209666]

The Solicitor-General: The Crown Prosecution Service works on crime prevention through its membership of the local criminal justice board in each area. In addition, depending on the local situation, it works with local councils, the voluntary sector and other criminal justice agencies on issues such as tackling antisocial behaviour, domestic violence and crime caused by drug abuse. Its officers attend community safety partnerships on an ad hoc basis.

Hugh Bayley: Is my right hon. and learned Friend aware that the local criminal justice board in North Yorkshire has started working systematically with crime reduction partnerships in the county, including of course the Safer York partnership, to ensure that the work of courts and prosecutors complements and supports the work of other agencies fighting crime? Does she think that encouragement should be given to Crown Prosecution Service officers in all parts of the country to do such work?

The Solicitor-General: I agree with my hon. Friend that the Crown Prosecution Service needs to be encouraged to work closely with other criminal justice agencies, and beyond that to work with local authorities and engage with local communities. The CPS is of course a member of local criminal justice boards, but the specific pattern of work will depend on each area. The principle exists that it should work closely with others to prevent, as well as prosecute, crime.

Miss Anne McIntosh (Vale of York) (Con): Is the Solicitor-General aware that there is close co-operation between the criminal justice board and Crown Prosecution Service in North Yorkshire, which will be consolidated when they move into joint offices in Clifton Moor in the Vale of York? Will she also pay tribute to the work of not only neighbourhood watches, but farm watches to prevent rural crime in areas throughout North Yorkshire? What formal discussions are taking place between the CPS and farm watch schemes in North Yorkshire?

The Solicitor-General: I am afraid that I do not know the answer to the question about the connection between farm watch schemes and the Crown Prosecution Service, but I undertake to find out and get back to the hon. Lady. There is obviously close liaison between the CPS and her local criminal justice board because the chief Crown prosecutor chairs that board.

Chris Bryant (Rhondda) (Lab): My right hon. and learned Friend will know that one of the most important elements of bringing a successful prosecution is ensuring that there are witnesses who not only provide an initial statement, but stand in court. We sometimes lose many such witnesses because of intimidation in their local communities or simply because they find the whole justice system difficult. What is the Crown Prosecution Service doing to ensure that more witnesses stand in court?

The Solicitor-General: My hon. Friend makes an important point. If people do not have confidence in the criminal justice system, they will not report crimes, give statements, or come to court. If that happens, a prosecution cannot occur, so the perpetrator gets away with the crime and is free to reoffend. A great deal of activity is going on throughout criminal justice agencies and especially in the Crown Prosecution Service to ensure that witnesses are told what is going on and not passed from pillar to post without knowing their position. It should be ensured that witnesses who are intimidated are protected with special measures in addition to police protection, and things should be geared around witnesses, without whom there can be no justice.

Mr. Bill Olner (Nuneaton) (Lab): Does the Solicitor-General agree that while partnerships need to be in place, justice must be seen to be done? Will she listen to representations that I may make to her about the length of a sentence given to an offender who was found guilty of raping a 12-year-old child? He received only six years for that offence, so will my right hon. and learned Friend join me and probably the local Crown Prosecution Service to ensure that that sentence fits the crime more suitably?

The Solicitor-General: I shall ask my office to liaise with that of my hon. Friend to get the details of the sentence. As he will be aware, if a sentence is unduly lenient, I can refer it to the Court of Appeal to ask for it to be reviewed, so long as that happens within 28 days. It is possible for me to examine the sentence and take action to reinforce the public's confidence that sentencing levels are appropriate.

Crown Prosecution Service

22. **Julie Morgan** (Cardiff, North) (Lab): What plans she has to increase the number of special prosecutors in the Crown Prosecution Service. [209667]

The Solicitor-General: The CPS has specialist prosecutors in a number of areas, including child abuse, rape, antisocial behaviour, domestic violence and recovering the proceeds of crime. It is also building on specialist activities, such as its work on animal rights extremists—I apologise because I failed to answer the earlier question from the hon. Member for Beaconsfield (Mr. Grieve). A specialist cadre of prosecutors to work with the new Serious Organised Crime Agency is being established.

Julie Morgan: What plans does my right hon. Friend have to increase the number of specialist prosecutors for antisocial behaviour? In south Wales, we have experienced the benefits of having a successful specialist

prosecutor for domestic violence. I welcome the fact that we now have a special prosecutor for antisocial behaviour, particularly in view of the large amount of antisocial behaviour that has recently been occurring in my constituency.

The Solicitor-General: Because of the number of representations that I have received from hon. Members on both sides of the House, I am aware that antisocial behaviour and the need to respond to it are problems in almost every constituency. My hon. Friend knows that her city, Cardiff, has a specific antisocial behaviour prosecutor who specialises in such work, and the number of specialist prosecutors will no doubt be expanded as their work develops. I thank her for her comments on the specialist domestic violence prosecutor in her area, who does a marvellous job, and I want to place on record my thanks to the specialist prosecutors for their work.

Mr. John Burnett (Torridge and West Devon) (LD): The CPS areas have no specialist fraud prosecutors, and the de minimis level at which the Serious Fraud Office investigates and a possible prosecution occurs is very high. White collar crime is not getting the attention that it deserves from the CPS. Will the Solicitor-General ensure that specialist fraud prosecutors are included in each CPS area?

The Solicitor-General: I agree with the hon. Gentleman that fraud is an area of criminality that must be taken seriously. Fairness should exist across the criminal justice system, and one should not be less likely to be prosecuted because one has committed a white collar crime. The Serious Fraud Office has specialist prosecutors who deal with fraud, and the headquarters of the CPS also has specialist fraud prosecutors. Specialist fraud prosecutors are not used in every area, and I recognise the concern that greater co-ordination should occur between police and prosecutors in that area, which is often difficult and technical. The Attorney-General and I refer unduly lenient fraud sentences to the Court of Appeal, because we want the public to be sure that people do not get off lightly just because they are city business men.

Business of the House

12.32 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): Will the Leader of the House please give us the business for next week?

The Leader of the House of Commons (Mr. Peter Hain): The business for next week will be as follows:

MONDAY 24 JANUARY—Remaining stages of the Gambling Bill.

TUESDAY 25 JANUARY—Opposition Day [3rd Allotted Day]. There will be a debate on implementation of the Licensing Act 2003, followed by a debate entitled "Renegotiation of the Food Supplements Directive". Both arise on an Opposition motion.

WEDNESDAY 26 JANUARY—A debate on sitting hours and other House motions, followed by remaining stages of the Commissioners for Revenue and Customs Bill.

THURSDAY 27 JANUARY—Remaining stages of the Railways Bill.

FRIDAY 28 JANUARY—The House will not be sitting.

The provisional business for the following week will be:

MONDAY 31 JANUARY—Consideration in Committee of the Constitutional Reform Bill *[Lords]*.

TUESDAY 1 FEBRUARY—Continuation of consideration in Committee of the Constitutional Reform Bill *[Lords]*.

WEDNESDAY 2 FEBRUARY—Motion on the Police Grant Report (England and Wales) 2005–06, followed by motions on the local government finance report.

THURSDAY 3 FEBRUARY—Remaining stages of the Child Benefit Bill.

FRIDAY 4 FEBRUARY—Private Members Bills.

It may be helpful if I inform the House that, because of the holocaust memorial day events taking place on 27 January, the sitting of the Westminster Hall Chamber on that afternoon will be held in Committee Room 14. The sitting will be between 2.30 pm and 5.30 pm, with time added as usual for Divisions in the House.

It may be of further help if I notify the House that the explanatory memorandum to accompany the debate on sitting hours is now available in the Vote Office. It explains the principles behind the amendments to Standing Orders, which are complex.

Mr. Heald: I thank the Leader of the House for the business and I certainly welcome the explanatory memorandum, because anyone who has seen the Order Paper will realise how complex those motions are. I also thank him for agreeing to my request that the whole of the Committee stage of the Constitutional Reform Bill be taken on the Floor of the House, in line with convention.

Can the Leader of the House report any progress concerning my request for a foreign affairs debate, so that we can discuss Africa and the middle east, or on my request for the timetable for the Bill on the European constitution? When will it be published? When does he expect to be able to give us the date for the Budget?

Following my question last week about 24-hour drinking, the Leader of the House seemed to support staggered closing times.

Mr. Andrew Mackay (Bracknell) (Con): Staggered?

Mr. Heald: Staggered or staggering. Since then, a well-meaning citizen has pointed out to me that page 73 of the Government's guidance to local authorities states:

"licensing authorities should . . . not seek to engineer staggered closing times".

The guidance goes on to suggest that

"all the public houses in a single street could open until 3 am".

May we have a statement on this issue before next week's debate? Do Ministers understand that local residents who are already being troubled at 11 pm do not want such problems at 3 am? Is it not time for the Government to launch a serious attack on binge drinking, instead of what we have at the moment, which is a lot of Government binge talking?

May we have a statement on the figures due to be released by the Office for National Statistics, which show a massive increase in state jobs? Does that not show that the Chancellor is making empty promises about cutting back while in fact indulging in binge hiring?

It is more then a year since the European Scrutiny Committee asked the Leader of the House to change the relevant Standing Orders to enable it to deliberate in public. Will he now table such a motion for next Wednesday, when we will deal with House business and, if not, will he explain why he is dragging his heels over this sensible proposal?

Finally, may we have a statement on the timetable for the former Home Secretary leaving his grace and favour residence, which is provided at the taxpayer's expense? It is said that there are security procedures to be completed but, given the cost of those facilities, are not the public entitled to know how long this process will take?

Mr. Hain: On the last point, it has been said that the former Home Secretary will stay for a while in the Home Secretary's official residence, which has been allocated on the basis of security requirements. The Prime Minister has made that decision and I am sure that if the hon. Gentleman were, like me, in the Cabinet, he would understand the reasons for it. I deprecate the harassment campaign against the former Home Secretary, and frankly, the hon. Gentleman should come up with better questions.

I am grateful to the hon. Gentleman for thanking me for providing the explanatory memorandum. As he knows, the motions have been produced in this form because we have to amend the Standing Orders to make permanent the decision of the House next Wednesday. The principles are simple. Provision is made for maintaining the existing hours but for starting an hour earlier on Thursday, so that we can take Government legislation and Opposition debates then and have a full working day. To help the House, given the very divided opinion on the question of sitting on Tuesday evenings between 7 o'clock and 10 o'clock, my hon. Friend the Deputy Leader of the House has tabled a motion that

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will enable those who wish to return to a 10 pm finish on Tuesday to vote for doing so. That is the reason for the complexity of the motions, but the principles are essentially the same.

I am also grateful to the hon. Gentleman for, unusually for him, offering a second thank you, on the Constitutional Reform Bill. We reached agreement on that issue and I understood the arguments that he and the rest of the Opposition made. We are still considering a foreign affairs debate, but he will understand that the legislative programme is very busy, with Second Readings and remaining stages of various Bills. There is important legislation to get through, including on tackling crime and drugs.

I fully expect the Bill on the European constitution to be introduced sooner, rather than later, with its Second Reading to follow. It is a complex piece of legislation, but, obviously, it is a very important Bill.

Information about the Budget date is guarded carefully by the Chancellor. When he can give that information, the House will know as soon as is possible.

I enjoyed the hon. Gentleman's soundbite on licensing hours, but the fact is that that Act followed more than five years of consultation, and in typical opportunist fashion, the Conservatives supported it when it went though Parliament. Now that there is a hue and cry about it, they flip and jump on the bandwagon. The important truth about this legislation, which is why, when the fuss has died down, it will prove popular with local communities harassed by binge drinking and violence from yobs pouring out of pubs and other licensed premises, is that it hands control to local authorities, which are accountable to local residents, and to the local police, instead of the bureaucratic and long-winded process of going through magistrates courts. The legislation puts the decision with local communities. If local communities feel that licensed premises are encouraging abuse, yobbery, binge drinking and violence, they can either shut them down for 24 hours or ensure that their licences are reviewed. That will ensure that the problem is brought under much better control than has been the case up to now. He knows that that problem has gone on for years and years, and this will help to solve it by putting the power in the hands of local communities, local residents and the local police to crack down on those pubs and clubs that encourage binge drinking and the violence that follows.

On Office for National Statistics figures and public sector jobs, we are proud that, under a Labour Government, there are 77,500 more nurses, 19,000 more doctors, 12,500 more police officers, 29,000 more teachers and 106,000 more school support staff. Under our investment plans, there will be more nurses, teachers, police officers and other front-line service workers to care for and support the public if we win the next general election. Let us compare that with the massive cuts that will follow if a Conservative Government come in, with a return to boom and bust and all the risk to living standards, mortgages and jobs that will follow.

As the hon. Gentleman knows, a request for the European Scrutiny Committee to meet in public has been made and it is fair to point out that it was made a while ago. It is being considered by the Modernisation Committee, on which he sits, and we hope that that report will be ready in a month or two, and that the subject will be addressed. He will also be aware that a delicate balance has to be struck between an obvious desire for openness and transparency, which is a principle that I support in general, and the fact that in that Committee, officials and Officers of the House give a lot of detailed advice on complex matters in relation to heavy business. It is also a case of bearing in mind their situation, so that they can do their proper professional job and advise the Committee appropriately.

Mr. Gordon Prentice (Pendle) (Lab): Last July, my friend the Prime Minister disappointed me by saying that he would not end the practice of awarding hereditary knighthoods. Is not there a case for an early debate on the honours system after the scandal of Mark Thatcher, who has been convicted in the South African courts, but whose knighthood is apparently inviolable? Should not we strip Mark Thatcher of his baronetcy, which is a hereditary knighthood?

Richard Younger-Ross (Teignbridge) (LD): Just say yes.

Mr. Hain: The hon. Gentleman suggests from a sedentary position that I say yes. Mark Thatcher is a baronet, and it would require primary legislation to remove a baronet's title. The Government have no plans to introduce such legislation.

Mr. Paul Tyler (North Cornwall) (LD): In the context of the debate on licensing next Tuesday, can we have a more measured Government response on the issue—from the Home Secretary, I presume—than we have just had from the Leader of the House? Has he noticed that the Metropolitan Police Commissioner, who I presume is not just an opportunist, has this morning appealed for the changes in licensing to go slowly? A full report in the *Evening Standard* today has the headline, "Our cells overflow with drunk yobs". What is the Government's response to that? It is not just politicians but the police who are asking for the process to be slowed.

The Leader of the House said that legislation on the European constitution would be introduced sooner rather than later. Can he be more specific? When does he anticipate that the Committee stage, which will presumably take place on the Floor of the House, will be completed and, after a necessary delay, when does he expect Third Reading? What date has he written in for completion of proceedings in the House of Lords? If he thinks that that is all going to be completed before 6 April, which many of us have in our diaries as a possible date for the Dissolution of Parliament, surely he has got another think coming. What advice has he given the Prime Minister on those dates?

Finally, did the Leader of the House notice that this morning an important decision was made about trans-Europe co-operation on serious crime? He may recall that a schoolgirl from my constituency, Caroline Dickinson, was murdered in Brittany nine years ago. Her father, mother and I have been pressing ever since for better co-operation across Europe, particularly on issues of DNA. This morning, an important development took place, and that co-operation is

guaranteed in future. That is good news, but it has taken nine years to get there. Can the Leader of the House ask the Home Secretary to give us a statement on that issue?

Mr. Hain: I understand the predicament of Caroline Dickinson's family and I know that they appreciate the consistent support that the hon. Gentleman has given them, as do his constituents. The Home Secretary will want to consider the issue in the light of his intervention.

On licensing and binge drinking, the Metropolitan Police Commissioner told the *Evening Standard* today:

"If 24-hour drinking came in, we would need to reinforce staffing levels in the early hours."

The proposals are not for 24-hour drinking in every pub and club across the land. They put sensible flexibility in the hands of local authorities and local police, so local residents can apply immediate pressure if they think that there are abuses. I should have thought that the hon. Gentleman, as a Liberal Democrat who believes in decentralisation and empowering local communities and residents, would be right behind the measure, instead of jumping on the Tory bandwagon. When the fuss has died down, people will realise that they not only have more power under the legislation for flexible and sensible licensing hours so that, for example, theatre-goers can pop in for a final pint or a glass of wine before they go home, but more power to crack down on yobbery and the drunken, violent minority who all come out of our pubs at the same time of night. I am sure that he will want to review his apoplectic intervention in the light of that common-sense advice.

On the European Union Bill, I cannot be more specific, but the hon. Gentleman made an intriguing observation about the coming months. I do not know where he got 6 April from—perhaps he is better informed than the Leader of the House. I do not think that there would be a problem from the Liberal Democrats, but it would be interesting to know whether the official Opposition would give a cast-iron guarantee to speed the Bill through the House. If they did so, they and the shadow Leader of the House would have an opportunity to keep pressing me every week on when the referendum will take place. However, there is no such offer from Conservative Front Benchers to help with the passage of the Bill.

Mr. Eric Forth (Bromley and Chislehurst) (Con): I hope not.

Mr. Hain: The right hon. Gentleman and his anti-European supporters, who want to take Britain out of Europe, will want to obstruct the progress of the Bill when it is introduced.

Mrs. Anne Campbell (Cambridge) (Lab): In the run-up to the debate on sitting hours next Wednesday, is my right hon. Friend aware of a rumour that has been circulating among some right hon. and hon. Members? It is suggested that, if the House votes for a return to the dark ages and later hours on Tuesday, that will automatically mean that Members will be free to leave at 5 pm on Thursday. Would he like to set the record straight?

Mr. Hain: I have heard lots of rumours in the past few days, including that one. The proposal that I am tabling would allow the House to sit an hour earlier on Thursday at 10.30 am but keep the finish time at 6 pm, when there is usually a vote. That would have two benefits. It would allow people to continue to return home to Scotland, the north of England and the far west that evening, but it would also allow us to complete a full day's business with a vote. All too often—for all I know, it may well have happened last night—the place thins out on a Wednesday evening, because it is not easy to take whipped business, legislation or Opposition debates on a Thursday. If there were any attempt to encourage part-time membership of the House by moving the time forward to 5 o'clock, and if that were suggested as an inducement to do something else, as my hon. Friend described, that would be wrong, and I would resist it strongly.

Mr. Forth: May we have an urgent debate on procedure in courts martial? Was the Leader of the House as alarmed as I was about the publication of what can only be described as very prejudicial pictures during the course of a judicial and legal proceeding? Does he think that that was wrong, is he worried about it and can something be done about it? Does he think that this will leave the whole process wide open to appeal?

Mr. Hain: For once, I agree with the right hon. Gentleman. The point that he makes is very important, which is why the Attorney-General wrote to the newspapers last night about this matter. It is very important that there is a fair trial, and we should do nothing to jeopardise that.

Andrew Mackinlay (Thurrock) (Lab): Will the Leader of the House give us an opportunity to discuss the conduct and stewardship of our police forces, against the background of concern among Members across the political spectrum about the professional standards department—it used to be known as CIB3—of the Metropolitan police? It is felt that there are police officers who have been suspended for an inordinately long time, often unjustly, and that some police officers who are innocent are in prison and that some people who have put them there are guilty. This is an unspoken and unrehearsed issue, but it needs to come out into the open, because there is widespread concern not only about the Metropolitan police, but about two decades of very poor stewardship of the Sussex police, for example, and systemic failures there.

Mr. Hain: My hon. Friend always raises important and serious matters, as he has just done. The Home Secretary will want to pay careful attention to what he said, and my hon. Friend will have the chance to question the Home Secretary on Monday week.

Mr. Nigel Dodds (Belfast, North) (DUP): May we have an early debate about access to the Post Office card account system? Serious issues remain in relation to the inability of many people, but especially the elderly, to operate the system properly and to get through when there are difficulties and get proper answers from customer services. Members of Parliament are not given a direct line through to those involved to help

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constituents in these important issues. May we have an early debate to try to air some of the problems, get answers and get the problems fixed?

Mr. Hain: The hon. Gentleman will have a chance to raise that matter in Department of Trade and Industry questions on Thursday, but I recognise his point. In my constituency, there are pensioners who have been issued for the first time with a card and personal identification number, but who have never used a PIN before and have lost it, and have therefore been unable to draw the pension to which they are entitled. I know that the Post Office has been alerted to the problem. In some cases, at least in Neath, emergency procedures were put in place. This is a serious issue of which the authorities are aware.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): Will my right hon. Friend arrange for a debate about economic regeneration and the important role played by regional development agencies? I know that he is aware of the significant regeneration that has taken place in the lower Don valley in my constituency since 1997, including the building of the largest printing works in Europe, which I drew to his attention a few weeks ago. He may not be aware of a masterplan now being developed by the council and British Land with the help of the RDA, Yorkshire Forward, for further significant regeneration, thousands of jobs and 4,000 new homes. Does he agree that those plans and others throughout the country would be put at risk if the Opposition had their way and abolished the regional development agencies, which would be a false economy that would endanger regeneration and jobs throughout the country?

Mr. Hain: I strongly agree with my hon. Friend. The more the public and the media look into the fine print of the proposals published earlier this week, the more they will see them fall apart. In the case of regional development agencies—this would effectively massacre the work of Yorkshire Forward—a £365 million saving would be made. That means cuts in regeneration and job creation programmes and in the regeneration of communities, and the devastation of regions such as South Yorkshire, which suffered mine closures under the previous Government and have needed more investment to create the enterprise economy that is now taking root. All those measures, including that regional development issue and the Opposition's proposed abolition of the new deal, would result in massive cuts and the return to high unemployment, boom and bust, risks to mortgages and all the rest of the Tory economic misery that the Opposition plan for us yet again.

Sir Nicholas Winterton (Macclesfield) (Con): Is the Leader of the House concerned about the unfair treatment being meted out by the Government to local authorities that have responsibility for housing, as they are being denied the resources given by the Government or the ability to retain for themselves the money that they get from the rent from municipal property, as against the treatment of registered social landlords, who are treated much more favourably than housing authorities? Macclesfield, which is debt-free, is being forced to dispose of its housing stock through large-scale voluntary transfer against my wishes and the wishes of the council and council tenants. It is being forced to do that because it is not being allowed to keep the necessary sum to maintain and refurbish its council housing stock.

Mr. Hain: I think that the hon. Gentleman will find that there is a debate on those matters the week after next, on Wednesday 2 February. If he has a chance to intervene or speak in that debate, he may wish to take it.

Mr. Tam Dalyell (Linlithgow) (Lab): When the shadow Leader of the House asked perfectly reasonably about a foreign affairs debate, the Leader of the House replied that the legislative programme was very difficult. Well, it is not 1 per cent. as difficult as the position of the coalition in Iraq. What sort of impression do the Government imagine is given of the House of Commons if we can find time for debates on gambling, drink and aspects of constitutional affairs that might wait, and a whole day on our own hours, while there is apparently no time to discuss the immensely important situation in Iraq? Some of us think that, after the election, we may have to make a choice as to whether we are in Iraq for five or 10 years, or whether we go headlong into a Vietnam situation. Surely there is a case for a proper debate on an amendable motion.

Mr. Hain: Obviously, we will want to assess, as will the Prime Minister and Foreign Secretary, the situation after the Iraqi elections on 30 January. I am sure that my hon. Friend will want to applaud the fact that recent polling in Iraq shows that more than 80 per cent. of Iraqis intend to vote if they can and that 111 groups with almost 8,000 candidates are standing in the national elections and a further 11,000 candidates are standing in the provincial and Kurdish regional government elections, and a third of all those candidates are women. That provides an opportunity for a major democratic advance in Iraq out of the tyranny that was overthrown when Saddam was deposed and out of the new investment that is now taking place. I accept that the situation is very difficult and that the insurgents and terrorists are seeking to destroy that prospect of democracy, but I should have thought my hon. Friend would want to support it and to hope and work for the success of the elections on 30 January. I am sure that after those elections the House will be informed by the Foreign Secretary of the outcome and where future policy might go.

Sir Archy Kirkwood (Roxburgh and Berwickshire) (LD): Will the Leader of the House acknowledge that since the publication last March by Sir Michael Lyons of the public policy programme of civil service dispersal and relocation, the Government have published a plan to reduce dramatically public sector employment, particularly in Departments such as the Department for Work and Pensions? Will he acknowledge that it is time the House discussed public sector relocation so that communities that are suffering job losses, such as Galashiels in south-east Scotland, which is subject to DWP cuts, can be considered as priority cases for civil service relocation in future?

Mr. Hain: I understand the hon. Gentleman's point about his constituency, and my right hon. Friend the

Secretary of State for Work and Pensions will want to consider it carefully. That Department and others have initiated a huge redeployment out of the overheated London and south-east area to the regions and nations of Britain, Scotland and Wales included, where there are the skills and the sites.

Efficiency savings are also being made to divert resources from back-room staff to front-line services. That is very different from the massacre of public sector jobs that will take place under the Conservative plans published earlier this week, which mean that 250,000 people are set to join the dole queue.

Mr. Ben Chapman (Wirral, South) (Lab): On 17 January, the closure of a company, Lubrizol, in my constituency was announced on the internet. I was not consulted, nor was the local authority or the Northwest Development Agency. The decision was made because the US parent company thought that production could be better located elsewhere. The UK company was not a lame duck. It was an efficient company that had won many awards, most recently on Tuesday this week. Will my right hon. Friend arrange for the subject of arbitrary closures to be debated? Will he draw the matter to the attention of the Department of Trade and Industry to see whether it was consulted, whether it regards this as the proper way for an inward investor to behave, and whether the workers and unions were appropriately consulted? Will he also draw the matter to the attention of the Department for Work and Pensions so that the workers who will be affected by the closure, both senior and more junior workers, are given appropriate assistance, should they need it?

Mr. Hain: I am astounded at that account. I have heard of workers being texted to be told that they are redundant, but I have not heard of workers discovering it on the internet, if they have access to it. It is a very bad way for an employer to behave, and I will make sure that Ministers at the Department look into the matter and write to my hon. Friend about the points that he has raised.

Sir George Young (North-West Hampshire) (Con): Has the Leader of the House begun to reflect on how he might persuade people in Neath to re-elect him at the next general election? If he has, he will realise that no meaningful decisions can be taken about that campaign until we know what our elections expenses will be. The Electoral Commission made recommendations to the Government on that. Can the right hon. Gentleman confirm that it is the Government's intention that the next election be fought on the basis of those new recommendations? If so, when will the Government lay the necessary order?

Mr. Hain: The right hon. Gentleman has made a plea on behalf of all of us, but I can assure him that my spending will come well under the expenses limits. My right hon. Friend the Secretary of State for Constitutional Affairs will want to reflect carefully on the point that the right hon. Gentleman made and will, I am sure, respond to it.

Kali Mountford (Colne Valley) (Lab): Can time be found to discuss the work of the small business unit, in particular the small business unit in west Yorkshire, which is supporting plans by a consortium of local businesses to break into new markets in China and eastern Europe? We should debate any vulnerability to which the small business unit might be exposed, especially a £500 million cut, and how that would affect trade into my area.

Mr. Hain: I am alarmed by the plans to axe the Small Business Service, as the Opposition propose. We will not do that, partly for the reason that my hon. Friend gives—it provides vital support for small businesses, which are the engine of our future economic competitiveness. They need the support that the Small Business Service provides. Another proposal is to cut massively the resources and staffing of UK Trade and Investment, which provides important support for exporters who find it hard to gain openings in a very competitive international market. I notice that in the list of cuts proposed earlier this week, nobody, let alone the shadow Chancellor, proposed a cut in the £3 million Short money that the Conservatives get from the taxpayer—very bad value for money, I might add. All the other cuts listed have been added up, but the £3 million of taxpayers' money going to the Conservative party will stay ring-fenced, protected and guaranteed.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): May we have an early debate on the statement on the continued detention in Belmarsh of a number of people held under the terrorism legislation? The Leader of the House will bear in mind that it is now a month since the House of Lords declared that that was unlawful, and a year since the Newton committee report recommended substantial changes in the terrorism legislation. It is quite wrong that those people should be held unlawfully. They are entitled to know their future, as is the House.

Mr. Hain: I understand the point that the right hon. and learned Gentleman has raised. The ruling in the House of Lords on 16 December raised a number of complex issues, and the Home Secretary, as he has explained to Parliament, needs time to consider fully the implications of the judgment, while being mindful of the need to act as quickly as possible on the matter. I think the right hon. and learned Gentleman will find in due course that his request has been satisfied.

Julie Morgan (Cardiff, North) (Lab): I know my right hon. Friend is aware of the widespread concern among local government workers about the planned changes to the local government pension scheme, due to be introduced in April. When will we have the opportunity to debate the issue? I have been approached by many local government workers in my constituency. When will we have the opportunity to discuss the raising of the retirement age and the impact on current members of the scheme? Will the Government consider postponing the proposals until there has been more consultation?

Mr. Hain: I am sure that many local government workers and their trade union, Unison, have approached her, as they have approached me and other Members on the matter. Perhaps it would be helpful if I

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explained that the changes coming into effect this April, as the Chancellor announced in his pre-Budget report, are necessary now as part of a wider package to reduce pressures on local authority budgets and thereby to help protect front-line services and keep council tax levels in 2005–06 under 5 per cent. If the changes were not implemented, local government would face increasing pension costs of about £300 million per annum over the next three years, which would mean possible cuts in services and front-line jobs and pressures on council tax levels. We all know that public sector pensions must be reformed. Indeed, we have reformed our own pensions as Members of Parliament. The changes for local government workers are part of that process.

Pete Wishart (North Tayside) (SNP): On the day of the inauguration of George W. Bush as President of the United States once again, has the Leader of the House had an opportunity to look at a BBC World Service poll, which shows that the British people and the people of practically every other nation believe the world is a less safe, less secure place because of the President? Can we therefore have a debate about our special relationship to examine it, put forward the true views of the British people on that relationship and warn Americans about any future action in Iran during the President's second term?

Mr. Hain: That was a constructive intervention for the purpose of influencing American foreign policy. No doubt the hon. Gentleman does not intend to be Foreign Secretary at any stage in his future career.

Mr. John Bercow (Buckingham) (Con): Unlike you!

Mr. Hain: As always, the hon. Member for Buckingham (Mr. Bercow) makes helpful interventions and is a bit of a joker. The hon. Member for North Tayside (Pete Wishart) raises an important point. Why has the middle east peace process—which the Prime Minister has made a priority for many months, if not years—been retriggered? In part, because of that special relationship. As a result of the Prime Minister visiting Washington and meeting President Bush very soon after his re-election, the middle east peace process suddenly entered a new dynamic phase. We need that process to succeed, and maintaining the special relationship will help it to do so.

Mr. Kelvin Hopkins (Luton, North) (Lab): Setting aside the question of licensing hours, Britain has a serious alcohol problem now, and if there had been no Licensing Act 2003, it would still have a serious alcohol problem that must be addressed, with high levels of addiction, high death rates from cirrhosis of the liver, rising levels of heavy drinking among young women and, most worrying of all, a high incidence of foetal alcohol syndrome. Will my right hon. Friend make time for a full debate on all aspects of Britain's alcohol problem, including factors such as price, advertising and health warnings on alcoholic drinks?

Mr. Hain: I know that that issue was raised in Health questions. My hon. Friend makes a serious and considered point with which I am sure we all agree. That is why the Secretary of State for Health has taken forward a plan for tackling the alcohol problem. There is a culture in this country that is almost unique among comparable countries, and is very disturbing. If one goes to France or Spain, where there is the same flexibility in licensing laws that we intend to bring in, one does not see this phenomenon: young girls, let alone young boys, are not paralytic and fighting each other on the streets. We have to work together to tackle that.

Mr. Mackay: The Leader of the House will be aware that Peter Sutcliffe is rightly incarcerated for good in my constituency. Is he also aware that there is grave concern in my constituency and in Yorkshire that the Home Secretary allowed him to leave Broadmoor hospital for a day, which is unacceptable? Can he ensure that the new Home Secretary comes to the House to explain himself, because this very bad start for him makes it clear that he is not serious about law and order and crime prevention?

Mr. Hain: I understand the right hon. Gentleman's concerns. He may wish to consult the statement that the Home Office made this morning in which the Home Secretary made the background to this matter absolutely clear.

John Cryer (Hornchurch) (Lab): My right hon. Friend will be aware of the widespread concern about the apparent intensification and growth of Islamic and Christian fundamentalism. Recently, as a result of the screening of "Jerry Springer—The Opera", a Christian fundamentalist group decided to publicise the names and home addresses of BBC executives. That was absolutely disgraceful. Some of those groups are keen that the blasphemy laws should be extended to cover their own particular beliefs. Some of us believe the opposite: that the existing blasphemy legislation should be abolished, if only to make it absolutely clear that we are not going to give way to these fanatics. Could we have a debate on that legislation?

Mr. Hain: I am not in favour of fundamentalism of any kind, whether Christian, Islamic or Tory. I understand my hon. Friend's point; that is why we are bringing in a new offence to ban discrimination on the grounds of religion.

Mr. Michael Jack (Fylde) (Con): The Leader of the House will understand that not every Member of the House can be present at this statement to hear the business for the following week, and that many rely on access to the parliamentary video and data network to garner that information by e-mail or by looking at the official record. This weekend, we are to be denied access to the full facilities of that network. That will affect not only information about this business statement, but our ability to transact business on behalf of our constituents, which will be heavily constrained, if not made impossible. Will the Leader of the House postpone whatever work is to be carried out and try to find a more convenient time for it to be done, so that Members can maintain access to this vital communication network?

Mr. Hain: I understand the point that the right hon. Gentleman reasonably makes. I am advised that the

difficulty is that the system needs an upgrade, and if it is not done sooner rather than later the problem will develop into a bigger one. It is better to do it over a weekend than during the working week. However, I will bear his comments in mind, and I am sure that the Serjeant at Arms will want to take careful note of them.

Richard Younger-Ross: The Government recently published a document called, "Iran's Nuclear Programme—a Collection of Documents". Skipping over the fact that I always thought that a collection of documents was called a dossier—perhaps we are not allowed to use that word any more—will the Leader of the House ask the Foreign Secretary to make a statement on that? In particular, can the Foreign Secretary tell us whether the UK would give assistance to the US in relation to any military intervention in Iran, and whether the Prime Minister will make it clear to Mr. Bush after his "do" today that we will not support any such action?

Mr. Hain: Both the Prime Minister and the Foreign Secretary have already made it crystal clear that such action is not on the British agenda at all. In respect of the document, the Foreign Secretary will be here to answer questions on Tuesday.

Rev. Martin Smyth (Belfast, South) (UUP): Would it be possible for the Leader of the House to arrange for a statement by the Secretary of State for Northern Ireland concerning the statement made on RTE by an elected Member of the Northern Ireland Assembly, Mitchel McLaughlin, that the murder of Mrs. McConville, who went out to help a British soldier who was shot and did what any woman would have done to comfort him in his last moments, was not a crime because it was sanctioned by a court martial of the IRA? Does not it further corrupt the body politic when such things go unchallenged?

Mr. Hain: Criminality and murder must be no part of a democratic future in Northern Ireland, and any groups that want to be part of that future must eliminate it from their practices and beliefs. The Secretary of State for Northern Ireland will want to take careful note of the points that the hon. Gentleman raises.

Mr. John Wilkinson (Ruislip-Northwood) (Con): May I remind the Leader of the House that on 13 October the Scrutiny Committee recommended a debate on a Commission document on the fight against fraud in the European Union, and that on 12 January the same Committee recommended a debate on another document relating to the so-called European Anti-Fraud Office? Are we failing to have those very important debates because the Government condone fraud and malpractice in the EU or because they do not care about public expenditure?

Mr. Hain: As the hon. Gentleman knows, most of this fraud, which is a scandal but has been tackled much more energetically in recent times than previously, takes place in member states rather than in Brussels. He will be aware that a debate on fraud in the European Union is taking place in Westminster Hall next Wednesday, and he will have an opportunity to make his points there.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): On the subject of our sitting hours, may I gently point out to the Leader of the House that to this particular Scottish Member it makes not a whit of difference whether we finish at 5 o'clock or 6 o'clock on a Thursday, because neither time will allow me to get home on a Thursday night?

I associate myself with the call by the hon. Member for Belfast, North (Mr. Dodds) for a statement on the operation of Post Office card accounts, and bring to the House's attention the situation that recently faced a post office in my constituency that was flooded after the very high tides resulting from the bad weather and had its electricity supply knocked out. As a result, pensioners in that part of Orkney were unable to get their pensions because they had access only through the computer system, which was obviously not available to the post office. Surely that situation is not acceptable.

Mr. Hain: Clearly not. I am sure that the Secretary of State for Trade and Industry will want to pay careful attention to the hon. Gentleman's comments and to look into the matter.

On sitting hours, I appreciate that even if we stopped at lunchtime on a Thursday, the hon. Gentleman still might not get back that evening. I am sorry, but I cannot change the geography of the Orkney islands.

Mr. Bercow: May we please have a debate in Government time on the long overdue and much needed further reform of the House of Lords? Given that a cross-party group of Members of Parliament, including my right hon. and learned Friend the Member for Rushcliffe (Mr. Clarke), my right hon. Friend the Member for North-West Hampshire (Sir George Young), the right hon. Member for Livingston (Mr. Cook), and the hon. Members for North Cornwall (Mr. Tyler) and for Cannock Chase (Tony Wright), has called for a predominantly if not overwhelmingly elected Chamber—a view with which I happen to agree, as does, I suspect, the Leader of the House—does he agree that it is vital, not least in the name of self-respect, that we should have an early debate, reach a conclusion and proceed accordingly? Surely that is in the interests of parliamentary scrutiny and democratic legitimacy alike.

Mr. Hain: I strongly agree with the hon. Gentleman's general point—he invited me to agree with him, and I do. I have long supported such reform of the Lords, as he acknowledged, although I am not sure how long he has supported it.

Mr. Bercow: For a long time.

Mr. Hain: That is excellent. We need to reach a conclusion not only on the composition of the Lords but on its powers. I am glad that the hon. Gentleman agrees with that. The proper role of the Lords is that of a revising, improving Chamber, not a vetoing Chamber on the decisions of the House of Commons, which is how it has acted for the past few years in particular.

Dr. Julian Lewis (New Forest, East) (Con): Does the Leader of the House recall the double act by the two

[Dr. Julian Lewis]

Chancellors—of the Exchequer and the Duchy of Lancaster—at an election poster unveiling, an event that featured all the humour but none of the charm of the Two Ronnies? May we have a statement about the use of Government cars by Ministers and their flunkies attending events of that sort, as they are evidently going to become more and more frequent in the weeks ahead?

Mr. Hain: We will add a discussion of the Short money to that debate, shall we?

As the hon. Gentleman knows, the rules governing these matters are very strict, and need to be observed. Anyone who has enjoyed the privilege of ministerial life is aware of that.

Mr. Nigel Evans (Ribble Valley) (Con): May we have a debate on the state of the United Kingdom film industry? Last year only 27 films were made solely in this country and solely by UK producers, 40 per cent. fewer than last year, and a number of productions scheduled for this year have already been shelved. The main reason that has been given is a change introduced by the Chancellor of the Exchequer in the tax relief that the film industry used to enjoy. It is pointless Ministers' rubbing shoulders with the glitterati and celebs on the red carpet if they will not ensure that film producers and their technicians can shine by backing the industry.

Mr. Hain: As I am sure the hon. Gentleman will realise if he looks into the matter in detail, a loophole was being exploited and abused. It has now been closed, but the Chancellor has also provided separate and quite proper targeted relief to support the film industry, which now enjoys the prospect of a very bright future.

Speaker's Statement

1.21 pm

Mr. Speaker: I am aware of the interest in the actions of British servicemen in Iraq, stimulated by the publication of photographs in the press yesterday. While passing reference may be made to the general standards of conduct of British forces, the Chair will not allow any comment on cases before a court or a court martial, which are clearly covered by the House's sub judice rule.

Points of Order

1.22 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): On a point of order, Mr. Speaker. I welcome your statement, but the point of order is about a different matter. Have you received a request from any senior Minister, perhaps even the Prime Minister, to come to the House and make a statement that the Labour party will not accept Short money when it loses the general election?

Mr. Speaker: No, I have received no such approach.

Mr. Tam Dalyell (Linlithgow) (Lab): On a point of order, Mr. Speaker. It relates to your statement.

In the past, various Speakers have come down on me like the proverbial ton of bricks for infringing a sub judice rule. I think I understand your reasons for telling me yesterday that it was not your business, Mr. Speaker, but could we clarify the distinction between "sub judice" as recognised by the House of Commons and the sub judice rule that has apparently been infringed by the press in recent days?

Mr. Speaker: What I say to the hon. Gentleman is that the question he asked yesterday was not about the sub judice rule. What I say about the press report is that we in the House of Commons have higher standards than the press.

Mr. Peter Viggers (Gosport) (Con): On a point of order, Mr. Speaker, further to your ruling. This morning I studied the rules on the treatment of prisoners of war, and I was proposing, if called, to speak about their treatment in general terms—without, of course, referring to any current cases. Can you confirm that that would be in order?

Mr. Speaker: I can tell the hon. Gentleman, whose standards are very high indeed, that that would be perfectly in order. My concern is for Members not to be drawn into a discussion or debate about any court martial or civil action that may currently be under way.

Armed Forces Personnel

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Ainger.]*

1.24 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): This debate on personnel issues takes place against a backdrop of intense public scrutiny of the alleged misconduct of some soldiers in Iraq. I am sure the House will appreciate—this is in line with your ruling, Mr. Speaker—that it would be inappropriate for me to comment on the current case, or on other ongoing investigations.

The Prime Minister was right yesterday to draw a distinction between tyranny and democracy and to speak of the way in which we in this country seek at all times to bring wrongdoers to justice. He was also right to echo views expressed by the Chief of the General Staff, General Sir Mike Jackson, drawing attention to the fact that some 65,000 British soldiers have served in Iraq with distinction. They have done so with courage, exhibiting the highest levels of professionalism in helping to deliver the peace and stability so earnestly sought by the Iraqi people.

Another issue is currently exciting the minds of some hon. Members and the media. It relates, of course, to the accusation that Ministers are indifferent to our serving soldiers and other personnel who have been injured in conflict. The charge that Ministers are uncaring and unmindful of the needs of personnel as they recuperate is, in my view, an unwarranted slur that could not be further from the truth. I have personally met soldiers, both in theatre and back at their home bases, who were recovering from their injuries. I have also visited field hospitals to pay tribute to the sterling efforts of our medical personnel, who work in what are sometimes difficult circumstances but still deliver the highest level of care to our injured troops—and, on occasion, provide medical care for injured civilians.

My right hon. Friend the Secretary of State for Defence has visited the Ministry of Defence hospital unit at Selly Oak hospital, and the Under-Secretary, my hon. Friend the hon. Member for Hove (Mr. Caplin), is due to go there shortly. The visit was planned some time ago, well before the recent furore.

I intend to deal later with the general issues relating to the Defence Medical Services, but I want to make it clear at the outset that the consequences of conflict, whether death or injury, weigh heavily on the minds of those who commit the armed forces to action. To suggest otherwise is ill-judged, misplaced and, not to put too fine a point on it, offensive. Having said that, I should add that today's personnel debate is timely.

The pace of change across the globe is clear for all to see and shows no sign of slowing down. That offers special challenges to our armed forces—challenges to which they have risen magnificently—and places a special responsibility on the Government to ensure that our services are properly structured to face the world of tomorrow. The focus of our people policies is on providing better trained and more flexibly deployable forces. Together with our continuing investment in new platforms and technology, they will deliver the military capability that we need today and in the foreseeable future.

[Mr. Adam Ingram]

Current threats to international peace and security are obvious to us all. In recent years, terrorist groups who respect neither international borders nor the sanctity of human life have aspired to inflict even greater levels of destruction to achieve their warped objectives. In weak and failing states, mismanagement and corruption can lead to poverty, hunger, disease and the collapse of law and order. They pose significant challenges for the international community. In some cases, they provide safe havens from which terrorist groups and those involved in organised crime can easily operate and recruit. The proliferation of weapons of mass destruction remains a serious concern and a serious threat to international security.

With our allies and partners, we must confront and tackle the causes of instability in the world, as well as its consequences. That means working with our European, NATO and United Nations partners to resolve conflict, build peace and lay foundations for democracy. That is what we have been doing in the Balkans, Afghanistan and Iraq.

To ensure that we are best placed to meet those challenges, the Ministry of Defence has embarked on an ambitious modernisation and rebalancing of the armed forces. Each of our services needs to prepare its men and women to meet changing security challenges in less predictable and more complex operational environments. We need the right number of people available in the right place and at the right time, equipped with the right skills. That is how we will deliver military effect.

Pete Wishart (North Tayside) (SNP): What support has the Minister received for his proposals to restructure the Scottish infantry—apart, perhaps, from that of General Sir Mike Jackson—from veterans, regimental associations and forces families?

Mr. Ingram: I appreciate that the hon. Gentleman and his party do not support our proposals. Indeed, they have called the Union flag "the butcher's apron", and I have not heard that being repudiated from the nationalist Benches. We are not hiding from that fact that what we have sought to achieve has created considerable debate. We must take account of the needs of the future, however, as well as trying to understand the sensitivities of the past. The hon. Gentleman, who is perhaps a bit of a specialist on one particular regiment, should also recognise that we have been through these iterations before in Scotland. Regiments have been amalgamated before and they are, of course, subject to further changes.

I have met some of the associations involved and I have to respond to many inquiries from members of the public who are genuinely interested in this issue—people who really have the interests of the regiment at heart, rather than those who are interested only in political point scoring. We try to get across that the demographics in Scotland present difficulties for recruitment. I have explained before, from the Dispatch Box and elsewhere, that those demographics are such that it is not only the armed forces that come under pressure when recruiting—this applies right across the public services and certain parts of the private sector. We have to deal with that, look to the future and decide how best we can marshal the available resources, in people terms, to leave us best placed to deal with any future threats. I am also conscious that the hon. Gentleman, in opposing what we are doing with the armed forces, does not actually want to use them. Perhaps he just wants them to stand outside castles and be a tourist attraction, but that is a matter for his party and its supporters.

Annabelle Ewing (Perth) (SNP): On recruitment, I have here an answer given by the Under-Secretary on 18 November to a question from the hon. Member for Congleton (Ann Winterton), in which she asked whether there had been a cap on recruitment for the infantry in the last three years. The Minister answered:

"There have been control measures placed on all levels of the Army . . . to meet adjustments to funding allocations."—[*Official Report*, 18 November 2004; Vol. 426, c. 1824W.]

Does that not suggest that there was a recruitment freeze in place, and would not such a freeze have had an impact on recruitment?

Mr. Ingram: The hon. Lady has not been listening to the other answers that have been given on this issue. In recent times, we have been very successful in our recruitment campaigns overall. That means that we have had to adjust the training structures to meet the increased numbers of recruits coming in. That involves taking experienced personnel away from the front line and putting them back into the training environment at a time when the front line in certain key areas is exceptionally busy. To pause is therefore the way to get the best adjustment. It was not a freeze, although I know that the hon. Lady will keep using that word no matter how many explanations she is given.

I am trying to explain how our success has meant that we have to ensure that we get the balance right between the training environment and our front-line demands. If we look back to the exercise known as "Front Line First", which took place in the 1990s, there was a thinning out of the training environment resulting in a significant reduction in the ratio between instructors and trainees. We have had to address that. During my time, we have put a considerably more money back into the training environment and increased the number of instructors, in order to strike a better balance.

Mr. Crispin Blunt (Reigate) (Con): That is not true.

Mr. Henry Bellingham (North-West Norfolk) (Con): I am grateful to the Minister—

Mr. Ingram: The hon. Member for Reigate (Mr. Blunt) made a sedentary comment that that was not true. I shall give way to him.

Mr. Blunt: I am grateful to the Minister for giving way. As far as I can recall, there were no studies in "Front Line First", with which I was intimately associated, that resulted in a thinning out of the number of instructors per trainee. That was not a product of "Front Line First". Indeed, its result was to release resources to increase training, such as flying training for the Royal Air Force. That was a direct benefit of the process.

Mr. Ingram: We were talking about infantry and the Army, but there are certainly variations within that

answer. The hon. Gentleman should go back and look at just what happened as a result of "Front Line First". He should also study the reports that have been produced on the back of the tragic incidents at Deepcut and at the investigations that the Army conducted, which looked at some of these issues. We can exchange history lessons from that period, but if the hon. Gentleman looks at what happened in the training environment he will see that the ratios were changed, not because of an increase in the number of recruits, but because of a reduction in the number of instructors. The ratio reached a level which then had to be adjusted. If that had not been the case, I would not have had to put in additional resources to increase the number of instructors. I believe that what I was saying was true, but I am not disagreeing with some elements of what the hon. Gentleman said.

Mr. Bellingham: Does the Minister agree that, when service personnel put their lives at risk, they do so not only for Queen and country but for their comrades and their regiment? Obviously, the ethos and history of a regiment is very important. Does it not worry him that, by scrapping every remaining English county regiment, he will undermine that key ethos?

Mr. Ingram: Well, there is always a possibility of anything, I suppose. I tried to explain in my preamble that this is about trying to reshape and restructure the Army for the future. That has gone on through the 1950s, the 1960s, the 1970s, the 1980s and the 1990s. Over recent decades, something like 44 regiments have come out of the line under Conservative Administrations, and 22 under Labour. I am not trying to make a cheap point here. I am simply saying that previous Governments have had to deal with changing environments and to restructure accordingly. Only time will tell whether that restructuring has been effective and can deliver for those who approach this issue from a military, as opposed to a political, perspective and who have to help those honourable men and women who serve Queen and country to deal with the challenges that they face. This is about military advice and military assessments, and about matching resources to those needs. Previous Governments have done the same.

Bob Russell (Colchester) (LD): Will the Minister confirm that there is a need for fairness in recruitment across the United Kingdom? That being the case, does he think that the 10 counties that traditionally recruit to the Royal Anglian Regiment, and which have a population of 2 million more than the entire population of Scotland, are being unfairly represented in the new structure that he is proposing?

Mr. Ingram: No, I do not. In the early examination of what we are seeking to do, there was a view that the four battalions coming out and the redistribution of certain posts would strengthen the capability of the Army. At the same time as doing away with the arms plot, it was mooted that two regiments should go from Scotland because of the recruiting profile. A judgment was made, however, that to do that would be wrong because it would have left a bit of the United Kingdom from which we did not draw soldiers into a regiment and/or a battalion. We were trying to get an equal distribution, so the debate then turned to four battalions coming out—one from Scotland and three from England. The hon. Gentleman will be aware, however, that in a sense only two have been taken from England, because of the determination to look at utilising 1 Para as a core base of a tri-service support battalion for special forces. There was, therefore, a process of change as all of that got under way. We tried to examine how best to lay down the footprint across the whole of the United Kingdom, so I do not think that "unfairness" is a word that I recognise. I think that the process has been well judged but, as ever, only time will tell whether we have got it right.

Mr. John Smith (Vale of Glamorgan) (Lab): I speak as someone who congratulates the Department on having the courage to rebalance our armed forces to meet future challenges and enhance capability. Nevertheless, does the Minister agree that the names of the new regiments are important, particularly because history and tradition affect recruitment? Will he confirm that the Secretary of State is carefully considering the names of the new regiments? The Royal Welch Fusiliers and the Royal Regiment of Wales have a 300-year tradition and it is very important that we get the new names right.

Mr. Ingram: I believe that it is important to get the names right. That is why the Army spent so much time examining the issue. There was a whole process of consultation within the Army, which the Army Board took into account. Not everyone agrees with what we are doing—*[Interruption.]* It is a big change. History shows that there is always a great debate whenever that happens. It was the same when the Conservatives decided to integrate the Gordon's into the Highlands. There was a big furore in Scotland about that, but a brave and, I think, justifiable decision was taken because of the need to bring about that effective change.

As to the Secretary of State becoming involved, we have said consistently that it is a matter best left to the Army, and we should tread warily and not become over-involved. That is particularly true when many people believe that this is an election year. That may or may not be the case. We should not be seen to be playing with this matter for political purposes, but I recognise the strong feelings expressed by my hon. Friend the Member for Vale of Glamorgan (Mr. Smith) and others in Wales. Their representations will be made available to the senior military personnel who deal with these matters. It will be for them to decide. As I said, it would be wrong to bring political pressure into the debate because we would then be criticised for over-interference.

Mr. Andrew Robathan (Blaby) (Con) *rose*—

Mr. Ingram: I am not giving way to the hon. Gentleman. He can enter the debate later if he wants to.

Several hon. Members *rose*—

Mr. Ingram: I have given way quite extensively already and I want to make some progress.

Mrs. Betty Williams (Conwy) (Lab): Will my right hon. Friend give way?

Mr. Ingram: I have just said no. I am generally willing to give way to my hon. Friends and I may provide her with an opportunity to intervene later.

[Mr. Ingram]

It would be wrong to assume that better armed forces equal bigger armed forces. Our emphasis is on providing agile and flexible forces, utilising 21st century technology, to ensure that they are structured with a pattern of operations that they are most likely to undertake. More people do not necessarily mean more capability. By shifting resources from lower priority capabilities and delivering maximum efficiencies where possible, we will make the best use of our people. We will also provide better support and better equipment to our people. Those are essential factors in taking care of our people.

For the Army, particularly the infantry, those organisational changes are essential to addressing the new challenges. They will mean that we have more deployable troops and that our troops will be better balanced in respect of the branches and trades required for modern operations. Ending the arms plot will increase the availability of the infantry for operations. Capability will no longer be lost through the need for battalions to move location or re-role.

No matter how good our infantry, it needs top quality support to be effective. That is why we will reinvest people freed up by normalisation in Northern Ireland in key areas such as engineering and logistics, which have been in great demand in recent operations. By boosting capacity in those areas, we will also make a real difference to the lives of hundreds of key specialists and their families.

Similarly, the Royal Navy and the Royal Air Force are embracing change and delivering force structure changes in line with our operational requirements. For the RAF in particular, that will mean a reduction in numbers, but the result will be forces better suited to the challenges that they will face in the future rather than the conflicts of the past.

There will, of course, be an impact on our people. For some, it will be unsettling in the short term. To maintain a balanced force structure, there will need to be a limited number of redundancies. That is essential so that we do not repeat past mistakes that left gaps in our force structure. It does not imply, however, any less commitment to continue recruiting high quality people or to offering young people a wide variety of challenging and rewarding careers.

Mr. Mike Hancock (Portsmouth, South) (LD) *rose—*

Mr. Ingram: I am not giving way.

We recognise that the restructuring of the armed forces has not been welcomed by everyone, but we believe that it is necessary to ensure that our forces can meet the challenges that they will face tomorrow in the same way as they are succeeding in the challenges that they face today. Let me spend a few moments on those challenges. We currently have some 32,000 personnel deployed in 10 countries around the world.

Mrs. Betty Williams *rose—*

Mr. Ingram: I am about to move on to a different subject, so I shall be generous and give way to my hon. Friend the Member for Conwy (Mrs. Williams).

Mrs. Williams: I am very grateful to my right hon. Friend for that. In view of his answer to my hon. Friend the Member for Vale of Glamorgan (Mr. Smith), would he and his team in the Ministry of Defence be prepared to meet a delegation from the parliamentary side? He will be aware of the considerable disquiet in Wales concerning the proposals for restructuring.

Mr. Ingram: Throughout the whole process, the Secretary of State, the Under-Secretary and I have met interested parties extensively across the board. My answer to my hon. Friend's request is yes. I understand that a letter from hon. Members based in Wales is on its way. I have not yet received it, but I have been notified of it.

Mr. Hancock *rose—*

Mr. Robathan *rose—*

Mr. Ingram: Let me say to the hon. Member for Blaby (Mr. Robathan) that he will have an opportunity to enter the debate later and I suggest that he does so. As to the hon. Member for Portsmouth, South (Mr. Hancock), I know that he is a member of the Select Committee and that he has been highly critical about the subject that we are discussing now. I was rather surprised that he did not attend the meeting to put me on the rack. That is what Select Committees are for, so I do not know why he was not there. He has had plenty of opportunities to raise issues with me. If he catches your eye, Mr. Deputy Speaker, perhaps he can enter the debate later.

Mr. Hancock: The right hon. Gentleman is afraid to take my intervention.

Mr. Ingram: One thing that I certainly can say to the hon. Gentleman is that I am not afraid.

Since the tragic Indian ocean tsunami, UK personnel have acted quickly and effectively to provide assistance to those affected. Working closely with the Department for International Development in support of the UN, our personnel have provided much-needed skill, expertise and equipment. A C-17, TriStar and five C-130 air transport planes have been made available to DFID to assist in delivering new UN aid and heavy equipment to the region. I visited Brize Norton earlier this week to thank the air crew, ground crew and planning staff for all their efforts over recent weeks.

In addition to the RAF contribution, HMS Chatham, which has two Lynx helicopters, and Royal Fleet Auxiliary Diligence, which is co-operating closely with a reconnaissance team on the ground, are providing assistance in restoring livelihoods, schools and medical facilities to villages on the east coast of Sri Lanka. Engineering support has also been deployed to the Maldives to assist in repairs to generators and desalination equipment. Instrumental in co-ordinating the military response with DFID and regional government and military representatives have been the three military observation, liaison and reconnaissance teams deployed to the region. I know that the whole House will pay tribute to all of those engaged in the massive humanitarian effort and to those members of the armed forces who have made such an invaluable contribution.

More than 8,000 personnel are deployed on Operation Telic. In difficult conditions, they are successfully providing direct security assistance to the Iraqi authorities and building the capacity of Iraqi security forces to take on that role. The relatively stable security environment in our area of operations is a testament, I believe, to our armed forces' achievement. It has enabled progress to be made on the reconstruction of schools and hospitals and the restoration of water and power. Our people are making a vital contribution to building a peaceful, stable and democratic Iraq. We should take pride in what they have achieved to date.

Mr. Robathan *rose—*

Mr. Ingram: I suppose I shall have to give way to the hon. Gentleman, although I am breaking the rules.

Mr. Robathan: I am most grateful. I want to bring the Minister back to the tsunami. He is right that HMS Chatham and RFA Diligence are doing excellent work. However, will he confirm that the Diligence is, unfortunately, to be scrapped next year rather than replaced, and that the Chatham is one of 31 frigates and destroyers that are to be reduced to 25 over the next few years? That will lead to a considerable shortage of ships to assist in future disasters.

Mr. Ingram: That does not necessarily follow. I am conscious that the Conservative party has recently announced its back-of-a-fag-packet approach to defence expenditure. Perhaps the hon. Gentleman could tell us in his winding-up speech—

Mr. Robathan: I shall be happy to do that.

Mr. Ingram: Oh good. I look forward the analysis of the way in which the Conservatives will keep every legacy system at the same time as continuing with expensive procurement streams. The scale of the spend on all that could mean that the hon. Gentleman might have to tackle some matters later. He also claims that he would keep all the regiments. I believe that he intends to achieve all that through cutting 25,000 extra personnel from overall staff in the Ministry of Defence. That is on top of the 20,000 that we announced and towards which we are progressively working. I shall certainly return for the winding-up speeches if I am going to hear all that detail, but I doubt whether I shall hear it. I hope that the hon. Gentleman will give way to me when he starts looking at the back of that fag packet.

Afghanistan has already made huge progress. President Karzai's victory in a free and fair election last autumn is testament to that. Our forces, currently some 800 strong, contributed to that success. Whether serving with the international security assistance force in Kabul in the north or with the coalition, our forces have made a genuine impact, helping the Afghan people to bring greater peace and stability to their country.

Mr. Tam Dalyell (Linlithgow) (Lab): Did my right hon. Friend see the headline in today's *Daily Express* about the Queen's being angry about the treatment of the wounded? Is that not clearly unfair to Ministers? Is it not extremely doubtful whether the Queen expressed any view at all on the matter? Does he have any figures about the number of wounded who have returned from Afghanistan and Iraq? I ask for only a rough figure, because the report was outrageous.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I must remind the hon. Gentleman and the House that it is not correct or proper to bring the name of the Queen into debate.

Mr. Ingram: I am grateful for that ruling, Mr. Deputy Speaker. I was going to comment accordingly. I do not always believe what I read in the newspapers and I believe some newspapers even less than others, although I had better not rank them. When I read glaring and lurid headlines, I sometimes wonder why newspapers report in that manner.

My hon. Friend asks an important question, however, because there is a charge that we have somehow been hiding the figures, and that is not the case. The figures are not currently available but such information can readily be made available to the House. I shall write to my hon. Friend and place the content in the Library. Of course, he could have asked a parliamentary question to ascertain the information.

When we talk about the injured, we must acknowledge that, sadly, some people are seriously injured but that injuries can be caused in many different ways. For example, road traffic accidents are sometimes serious; some people become ill through picking up a bug, and injuries can even occur in training in theatre. We must balance all that. I am happy to help my hon. Friend to gain a better understanding of what we have published not only for Iraq but for Afghanistan and perhaps other theatres.

Mike Gapes (Ilford, South) (Lab/Co-op): On the deployment of our forces in Afghanistan, will my right hon. Friend update us on the international contribution alongside our forces? The Secretary-General of NATO has made strong pleas in recent months for larger contributions to assist the ISAF. Does my right hon. Friend believe that other countries are doing enough to assist the Secretary-General and stability and progress in Afghanistan?

Mr. Ingram: My hon. Friend has a good knowledge of those matters. Although the Secretary-General has made such comments, my hon. Friend knows that there are also continuing discussions with allies to consider different formations that could be used in Afghanistan. Our allies are individually and collectively considering, for example, taking on provincial reconstruction teams and with which phase—1, 2 or 3—of the PRTs they engage. It is a matter of getting the right combination of countries to make an important impact in key areas as we progressively move into others. Again, I shall write to my hon. Friend to outline the current position. I hope that it will aid him to understand which countries have made a contribution, which are considering making a contribution, and the possible combination of such contributions. Clearly, we must acknowledge the sensitivity of some discussions, which can take place between Defence Ministers and, indeed, at prime ministerial level, to try to develop force generation. Those individual representatives have to report to their democratic forums. That means that sometimes we can

[Mr. Ingram]

divulge what is happening and at other times we cannot. However, I shall give my hon. Friend as much information as possible.

In the Balkans, UK forces continue to assist with achieving self-sustaining peace and stability. Their efforts were brought into sharp relief last year when our people were instrumental in helping to restore calm after the March violence in Kosovo. In Bosnia, the UK took leadership of the EU mission, launched last December, which aims to move that country forward towards its Euro-Atlantic goals.

Those operations have meant a major strategic evolution in the employment of our reserve forces. We are moving from a large but little-used reserve to a smaller and more effective force. Since 1995, the reserves have consistently provided 10 to 15 per cent. of manpower deployed in the Balkans. They have deployed to Afghanistan and, since January 2003, nearly 11,000 have been mobilised to support Operation Telic. Some 5,300 took part in the combat phase.

Our reserves and their employers have responded magnificently and I thank them for that. Indeed, such have been reservists' contributions to operations that we intend to integrate them still further into our force structures. As already announced, that will involve some reorganisation and re-roling to achieve the optimum operational capability that we seek.

In parallel and in recognition of reservists' contributions, we shall continue to explore ways in which to improve the support that we provide to them and their employers.

Tony Baldry (Banbury) (Con): Is the Minister conscious that many reservists have given up to six months' service? Many can do that only once in their career without its being detrimental to their families or their jobs. How can we ensure that the strength of the Territorial Army is maintained and that we do not lose the service of those who have already made serious commitments? If we do not achieve that, people will tend not to volunteer for fear that they will simply fall out.

Mr. Ingram: That is a genuine problem. We have undertaken the review because of the intensity of the effort and of the demand that we have made on the reserve and TA forces recently. We are therefore considering how better to organise them so that they are better integrated into work alongside the regular forces. The close integration of the reserve forces with the regular forces is nevertheless amazing. I witnessed that in Iraq and it was impossible to tell them apart. However, concern was expressed that the engagement of such a large number of reservists would mean some disjointedness and disconnection. That was not the case.

We have learned valuable lessons from the deployment. There was also a worry that employers would say, "Hold on a moment, this is too big a commitment. You're taking away key personnel." Some reservists are unquestionably key players in their companies. We have to consider the whole matter, which relates to my earlier point that size does not deliver quality of itself. Getting optimum strength and the right structure, with the right resources, commitment and use is vital. That should be presented up front so that people know to what and for what they are joining up, and what the demand on them is likely to be. We want to give them a future horizon of utilisation. That may not be easy, or possible, but we want them to have confidence that they are being used in a balanced way. That work is under way, and valuable lessons can be learned from recent experiences.

I would also like to recognise the contribution made by our civilian staff. Many are currently living and working alongside their military colleagues in operational theatres, providing advice on policy and on financial, legal, contractual and other issues. Indeed, several of our deployed civilians were recognised in last month's special honours list for Iraq. I am sure that the House will join me in paying tribute to the contributions that our civilians make, in the field and behind the scenes, to our success on operations.

The excellent achievements of our regular and reserve forces are testimony to the degree of preparation provided by high-quality individual training and education throughout their careers.

While physical and mental challenge is an integral and essential part of military training, the services are very conscious of the need to treat people as individuals, taking full account of varying abilities, needs and aspirations. Even so, we have been criticised as the result of tragic incidents in some training establishments. We have taken this criticism seriously and have made—and will continue to make—strenuous efforts to correct shortcomings and put in place robust systems to ensure that best practice is recognised and spread, that the highest standards are maintained, and that our training process is open to professional scrutiny.

As the House will be aware, the adult learning inspectorate is currently undertaking a detailed survey as to the manner in which the MOD discharges its duty of care to young people in training. This important work, which sits alongside the current inquiry by the Defence Select Committee, will report before Easter, and it is my intention to bring their findings, and our response, to the House at the earliest opportunity.

The MOD is one of the largest single providers of training and education in the UK. The lifelong learning process maximises individual potential through professional and personal development, and requires the active participation of both the organisation and the individual, supported by best-practice quality assurance systems. It captures education, academic and vocational learning activity, delivered through career and beyond. It includes, but is not limited to, modern apprenticeships, national vocational qualifications and higher education, including post-graduate training.

A fundamental premise is that, where possible, relevant defence training will be accredited towards civilian qualifications. Qualification, knowledge and experience gained through lifelong learning benefit both the Department and the individual. We also ensure that our people have access to the best available medical care at home, on exercise and on operations.

At home, our regional rehabilitation units have greatly reduced waiting lists and inappropriate referrals to secondary care for musculoskeletal injuries. The MOD is a leader in this type of initiative. In mental

health, we have pursued a modern, community-based care approach. We have established, with King's College London, a mental health unit to keep abreast of the latest thinking. The Royal Centre for Defence Medicine is also a key element in our modernisation and the nucleus of a centre of military medical excellence in the midlands.

We have a successful partnership with the Department of Health and we work hard to ensure that our two Departments and the NHS work together effectively. Initiatives include the possible joint procurement of drugs, and we have already delivered improvements in reception arrangements for military casualties from overseas. On operations, and particularly recently in Iraq, regular and reserve personnel in the Defence Medical Services have played a vital role and provided high standards of clinical care in difficult circumstances.

I am sure that hon. Members will join with me in acknowledging the debt that we owe to those who have been killed or injured in operations or other circumstances, and in expressing our sympathy for the price paid by them, their partners and their families.

We continue to support those families to minimise any further distress. For example, we have reviewed our policies regarding the provision of living accommodation to bereaved spouses and their children. We will ensure that they have somewhere to live close to their families while they come to terms with their loss, and we aim to react quickly, sensitively and effectively to accommodate injured personnel in modified housing where there is a need.

We have also reviewed our boards of inquiry process to ensure that they are instigated more quickly – within 48 hours – and that Ministers are kept informed of progress. In addition, we have taken action to establish a single point of contact for next of kin, to ensure that they are briefed clearly, comprehensively and regularly so that they understand the stages in the process. We continue to keep these and associated policies under regular review, to ensure that bereaved families and injured personnel are provided with the support that they deserve.

Looking to the future, we must ensure that we have the people policies in place to deliver people who are motivated, multi-skilled and adaptable. We will need recruits with greater potential and we must be able to offer rewarding careers to succeed in a highly competitive job market. Our terms and conditions of service must remain attractive overall, and at least comparable with the private sector. Currently, there is a shortfall of just over 3,000, or 1.6 per cent., against our trained requirement. That figure has been adjusted to reflect the force structure changes announced last July.

We need between 18,000 and 19,000 personnel to join the trained strength of the three services each year, after completing basic training. Typically, that requires annual recruitment of up to 24,000 suitably qualified, fit and motivated young people of the right calibre. Success in recruitment is fundamental to the delivery of the people component of operational capability. To recruit and retain the required number and calibre of people, we must continue to provide attractive terms and conditions of service, and efficient, responsive and modern personnel support processes that meet the changing expectations of people, today and in the future.

Mr. Bellingham: Will the Minister give way?

Mr. Ingram: No, as I have given way to the hon. Gentleman already.

Mr. Bellingham: It is a separate point.

Mr. Ingram: I should hope so, as I have spoken on about three different subjects since the hon. Gentleman's previous intervention. However, I am conscious of the time and of the fact that other hon. Members want to speak in the debate.

We have developed a service personnel plan to deliver sufficient capable and motivated people, in a co-ordinated, coherent and effective manner. The plan analyses the strategic environment for at least the next 15 years, and uses the latest academic and business techniques. The result is an ambitious, and widely supported, personnel change programme with clear milestones for delivery. It also provides a risk analysis mechanism, and performance metrics led by senior programme champions.

The armed forces are determined to ensure that they become more representative of our diverse society in the UK, through harnessing the wealth of talent and skills of individuals from different backgrounds. We aim to create an environment in which everyone is valued and respected, and encouraged to reach their full potential. I should highlight the fact that, as recently announced by my hon. friend the Under-Secretary of State, we are extending the range of chaplaincy provision currently provided from the Christian and Jewish faiths by appointing the first chaplains from the Buddhist, Hindu, Sikh, and Muslim faiths.

Improving the retention of personnel is a crucial factor in sustaining our desired manning profiles. It also helps to provide an effective return on the substantial investment we make in training our people. Our overall "people package" is a factor when people choose whether to continue service or to seek alternative careers.

The need to recruit, retain and motivate suitably able and qualified people lies at the heart of the independent Armed Forces Pay Review Body's work, with the unique circumstances of service life being a key consideration. I am pleased that last year, for the sixth year in succession, we were able to accept the review body's recommendations in full, including increases to those allowances specifically designed to compensate for separation from families.

The review body's latest report was submitted on 17 January to my right hon. Friends the Prime Minister and Secretary of State for Defence. As always, the Government will give the most careful consideration to the recommendations.

Our forces continue to be deployed on operations and other tasks around the world. I understand the potential impact that this has on families. Family issues are central to our personnel policies. The service families taskforce brings together Ministers and officials from across Government with representatives of the Service

[Mr. Ingram]

Families Association. It plays a vital role on issues affecting communication with families, housing, education, children and health, and I pay genuine tribute to that work.

With the end of the arms plot, battalions will, in future, be fixed by role and largely by location. That will mean that the infantry is able to offer much greater stability for soldiers and their families. It will also allow the career development of soldiers to be much more carefully planned, while keeping the variety, opportunity and challenge of new roles and locations open to soldiers in the large infantry regiments.

All that provides peace of mind for our people while they are away from their partners and families so that they can concentrate on the job in hand. At other times, it allows them to plan their lives with confidence, knowing that they will be able to establish roots in one place, if they want to. That, in turn, supports separate careers for spouses and the schooling and employment of their children. We remain committed to providing good quality accommodation for service personnel and their families.

Bob Russell: Annington Homes.

Mr. Ingram: Well, that charge cannot be levelled against this Administration. I joined the hon. Gentleman not long ago in a major initiative for a big development in his constituency—the beginning of many such projects. I shall leave it to him to score political points against those on the Benches to his right—

Bob Russell: Politically.

Mr. Ingram: Well, one never knows with the Liberal Democrats. However, they are probably on the right side in this instance.

Our housing strategy aims to provide greater choice through a mixed economy of service, rented and privately owned housing. Perhaps the hon. Member for Blaby will tell us when he winds up whether he will reverse the actions taken to sell off service accommodation. Would he spend even more money clearing up the mess his party left behind? He shakes his head: it does not surprise me that he will not rise to the bait.

We aim to provide high-quality single and family service accommodation in the right locations to support mobility. We are also providing better advice and assistance to those who seek greater stability and a stake in the housing market.

We value and support the well-being of the service community, because it is good employment practice and it contributes to operational capability. We have learned lessons from Operation Telic on the availability of welfare services and we are reviewing welfare and well-being issues more widely, including strategies for stress, care of vulnerable people, and the coverage of existing welfare provision.

This April, we introduce new pension and compensation schemes that provide equal terms for officers and other ranks, and compensation better focused on the more seriously disabled. Where possible, the schemes include changes sought by service personnel and ex-service organisations. Notably, we have introduced a major increase to widows' benefits, provided pensions for unmarried partners, improved death-in-service benefit and extended the time limit to claim for compensation. The new arrangements should better meet the needs of the armed forces for the foreseeable future.

Mr. Gerald Howarth (Aldershot) (Con): Will the Minister give way?

Mr. Ingram: No, I will not give way. The hon. Gentleman may wish to intervene in the speech by my hon. Friend the Under-Secretary of State later, because he has the specialist knowledge of the matter. I never shy away from taking on a challenge, but I have enough respect for the hon. Gentleman to know that he will take the opportunity to make his contribution in his own way.

We also take the problem of ex-service homelessness very seriously. We have a duty of care to ensure that service personnel are given as much assistance as possible to make a successful transition to civilian life, and when things go wrong, for whatever reason, we provide assistance through ex-service charities. Of the estimated 5 million veterans in the UK, research shows that the vast majority found service life a positive experience and made a successful transition to civilian life.

All service leavers now receive some form of resettlement assistance, regardless of time served or reason for leaving.

Pete Wishart: Will the Minister give way?

Mr. Ingram: I will give way to the hon. Gentleman because I enjoy the knockabout with the SNP. Will he apologise for the comment about the butcher's apron?

Pete Wishart: I will ask the question, if the Minister does not mind. How many of the veterans' associations that he consulted in his survey welcome General Jackson's plans for the Scottish infantry?

Mr. Ingram: I have dealt with that point. I have had enough knockabout on that point for now. I offered the hon. Gentleman an opportunity when he intervened. A representative of his party made an outrageous slur on the armed forces and, time and again, I have asked SNP Members to condemn it. They have not done so and, therefore, I can only assume that they share that view. Perhaps I should not have given way, because it has led us into consideration of other issues. However, I repeat the point that we genuinely listen to the views of veteran and regimental associations. I have met several of them, as have my ministerial colleagues. We view the associations with respect and we understand their sincerely expressed point of view. They are not involved in political point-scoring because they have the interests of the regiment at heart. I am not sure that the hon. Gentleman falls into that category.

Mr. Hancock: Will the Minister give way?

Mr. Ingram: No, I have already dealt with the hon. Gentleman.

The MOD provides general housing advice to all service personnel as well as identifying service leavers at risk of homelessness. For the latter, we provide additional preventive assistance as necessary. My hon. Friend the Under-Secretary of State, will speak further on veterans and resettlement issues later in this debate.

Our service and civilian personnel have continued to do a remarkable and widely applauded job in difficult circumstances. But we cannot stand still. We must ensure that our armed forces are organised and equipped to meet the challenges that we will face in the foreseeable future. Our people policies must continue to provide us with the right number of well trained and motivated people, ready to undertake the most demanding operations. I am confident that the work we have in hand now, which I have set out, and our plans for the future will allow us to achieve that goal.

2.15 pm

Mr. Keith Simpson (Mid-Norfolk) (Con): I welcome this opportunity to speak on behalf of my party in this debate on armed forces personnel. The Government, the Opposition, members of the Select Committee and Back Benchers have all rightly emphasised the importance of our armed forces. Their quality and professionalism are central to our defence and security. In all the debates we have, all hon. Members rightly praise our armed forces, who frequently respond rapidly and decisively to the orders of the day, despite those orders increasingly coming at short notice, sometimes with less than adequate equipment, and involving deployment worldwide.

We take it as a matter of course that our armed forces have the ability to move seamlessly from war fighting to peacekeeping. Relatively few armed forces have the ability to do that. Some can just do war fighting and some can just do peacekeeping. We should be grateful for the professionalism of our armed forces over many years and their leadership, which have meant that they are able to do both.

What our armed forces do and say is now examined in minute detail by 24–7 media, by Parliament and by the public. Their families, as much as they themselves, are now in the firing line. The task we politicians face is to provide the legal basis on which they operate, to provide them with the necessary resources, to give them our support and, at the same time, to hold them to account. It is against that background that we must consider in the course of this debate some of the problems relating to our armed forces in operations overseas.

Earlier, Mr. Speaker rightly said that he would not consider any comments or discussion of the case involving the recent allegations about members of the armed forces. My party actively and absolutely supports that ruling. However, I have some general questions to put to Ministers, which the Under-Secretary may be able to cover at the end of the debate. I put the questions on the grounds that many misleading comments have been made in the press and it is possible that if some factual information is put into the public arena, it will benefit the debate and provide reassurance and confidence to the members of our armed forces, their families and the public.

First, does the Under-Secretary agree that the military do not see themselves as above the law, but that hard lessons have to be learned about how they operate within the law, given military constraints? Is he able to tell the House how many other cases of alleged abuse are being investigated and/or are coming to trial? Some figures have been put by the press into the public domain. Will he clarify, if possible, whether there may be any further repercussions, such as civilian convictions, for any soldier put on trial by court martial who is not found guilty. In other words, is it possible that the case could then come before a civil court? Can he confirm that the Army reviewing authority has the right to overturn a finding of guilt, and amend it and/or the sentence that has been imposed? Is he fully satisfied that proper, timely and full briefing, including the individual training directive briefing, was offered to all our soldiers deployed to Iraq? I hope that we can have some factual information about those problems.

Mr. Bellingham: Many of our constituents have expressed much disquiet about how some cases have been looked at by the Attorney-General before the Army legal people examined them in great detail. Does my hon. Friend agree that those cases should be left to the Army legal services, not to the Attorney-General?

Mr. Simpson: My hon. Friend reflects the concern not only of our constituents but of a number of Members on both sides of the House. To many of us, including those of us on the Front Bench and possibly even Ministers, at times, there appears to be a lack of real clarity about some of the legal aspects, and indeed about the type of legal opinion that not only Ministers but senior officers have to take. I look forward to the Secretary of State coming to the House at some stage and making a full statement about the legal aspects of that problem and of the problems experienced by service personnel as to when they have to, or do not have to, use force on operations, and the consequences if, on the spur of the moment, they make a mistake.

Reductions in training have a progressively damaging effect on the fighting power and ethos of the armed forces. At the highest level, combined arms collective training at formation level and above may look like a quick fix for making savings, but it may take years fully to recover the standards and combined training that have been lost. Being heavily committed to operations can offset some of the disadvantages. At the end of the day, our armed forces are not just on operation as bandbox armed forces. They are there to be used and they have a considerable amount of experience, and I concur entirely with the Minister of State in his criticism of SNP defence policy. I always hate to get in the middle of what is obviously an old family feud that only those with Scottish blood—although with a name like Keith Robert Simpson I have a little Scottish blood—

Pete Wishart *rose*—

Mr. Simpson: As I mentioned the SNP, I shall be generous and allow the hon. Gentleman to come back on that point.

Pete Wishart: Have the Scottish Conservatives given up the fight to save the Scottish regiments? This is the third time that the one and only Conservative Member

[Pete Wishart]

with a Scottish constituency has missed an important and crucial debate about the Scottish regiments. Where on earth is he?

Annabelle Ewing: I think he is in my constituency.

Pete Wishart: There we have it. The one and only Scottish Conservative is traipsing around somebody else's constituency instead of being in the Chamber putting the case for the Scottish regiments. The Scottish Conservatives may have forgotten about our regiments but the Scottish National party certainly has not.

Mr. Simpson: Unlike the Minister of State, I welcome the SNP intervention because of the sheer cheek of people who are the greatest political ambulance chasers in the United Kingdom. That statement should be examined and taken at face value.

In a debate on defence in the other House, Lord Guthrie said:

"It is important that our service men and women are properly trained. It should be of great concern that soldiers are now being deployed less well trained than they should be and less well trained than they have been in the past. The defence budget is so tight that training suffers. That affects all parts of the Army. Individual soldiers are less skilled than they were; training standards are too low; gunnery and field firing camps are cancelled; training between infantry, tanks, engineers and those parts of the Army that may have to co-operate and fight together rarely take place."—[*Official Report, House of Lords*, 17 January 2005; Vol.668, c. 564.]

In the past when such quotations were used by Conservative Members or even, to be fair, by Labour Back Benchers, they were usually dismissed by Ministers on the grounds that they came from retired military dinosaurs in the other place. No one could refer to General Lord Guthrie as that. He is a man who served all Governments with great loyalty and professionalism and has always been constrained about what he says in public. He reflects publicly the deep concerns about training felt in many parts of the serving armed forces, who rightly do not put their reservations into the public domain.

I have a question for the Under-Secretary about language training. As we prepare our armed forces to fight constantly overseas, developing capability in language training for our military personnel should have considerable priority. Currently, relatively small numbers of our armed forces attend courses at the Defence School of Languages: 363 in 2001–02; 271 in 2002–03; and 380 in 2003–04. Will the MOD consider putting greater emphasis on language training, and is it considering ways of encouraging personnel to undertake further such training, possibly through financial inducements or educational qualifications? Language skills should be given great priority.

I want to turn to the overall situation in Iraq. Our armed forces personnel, as citizens as much as members of the armed forces, have a right to know in detail what Government policy will be over the next few months. With the Iraq elections two weeks away and no signs that the deadly insurgency is abating, the Government should be thinking of and beyond the election date. The imminent Iraqi elections have brought to the foreground calls for an early US withdrawal. Brent Scowcroft, national security adviser to George Bush Senior, predicted "an incipient civil war" and suggested that

"the Iraqi elections, rather than being a promising turning point, have the potential for deepening the conflict."

Does the Minister agree with the US Secretary of State designate, Condoleezza Rice, who acknowledged that problems of absenteeism and desertion among Iraqi forces are endemic? Is her assessment that there are 120,000 trained Iraqi troops more realistic than the suggestion of Senator Biden, who claimed after his recent visit to Iraq that the number was closer to 4,000? What is the British Army's assessment, in its area of southern Iraq, of the number of insurgents and the number of trained Iraqi security forces who are available and effective?

We know that the Netherlands will pull out its troops on 15 March, along with the Portuguese contingent, sticking to a decision made in June. What plans are there for increasing the number of other coalition troops in Iraq? Perhaps the Minister will be able to enlighten the House as to whether other countries have been approached and whether there are any positive signs. What are the MOD's plans for additional deployment of British troops to and beyond Multi-National Division (South-East)? Can the Minister shed any light on the report in *The Daily Telegraph* today that Britain is urging America to announce a timetable for withdrawing coalition troops from Iraq over the next 18 months?

Mike Gapes: In view of the hon. Gentleman's remarks about possible withdrawal from Iraq, can he clarify the position of the Conservative party? Does he believe that we should stay in there and finish the job or that we should cut and run?

Mr. Simpson: I thank the hon. Gentleman for that highly partisan point. He knows that we have supported the Government in their attempt to bring law and order to southern Iraq. We support the election. I have been asking the Government specific questions about the situation beyond the election. The Select Committee, of which the hon. Gentleman is a member, has also asked such questions—but answers have we none.

I now turn to MOD support for civilian contingencies, which the Minister touched on. We very much welcome the efforts made by the MOD and by military and civilian personnel who continue to offer support to those people affected by the tsunami in the far east. Can the Minister cast any light on the reasons behind the offer of 500 Gurkhas to Indonesia, and why the Indonesian Government rejected it? Did the advice to offer the Gurkhas come from the Foreign Office or the MOD? Why was the civil affairs group not mobilised and deployed, given the amount of study and work that it has done in the past?

On civil contingencies, may I also press the Minister on homeland security? What plans exist for the use of regular forces stationed in the United Kingdom to react to terrorist incidents in this country, or will that be left entirely to those units of the reserve forces that have been specifically set up to deal with it? Clearly, even if plans exist for regional brigadiers to call for regulars in their commands to assist local authorities, it is difficult

to predict whether units will be available while the current overstretch in operational deployments continues. Has the problem with the number of reservists who are double-hatted—those who have a commitment to serve overseas but have also been allocated to Territorial Army units for home defence—been sorted out?

Deployments over the past seven years have included continuous operations in the Balkans and additional operations in Sierra Leone, Kosovo, Afghanistan and Iraq. Commitments have fluctuated from a peak of 44 per cent. of the Army on operations in 1999, falling to 22 per cent. in April 2001, with 31 per cent. committed to operations in November 2001, falling back to 23 per cent. by December 2002, but rising again to about 40 per cent. during the height of the Iraq conflict.

General Lord Guthrie said in the debate in the other House:

"It seems extraordinary to many of us—at a time when there is so much uncertainty in Northern Ireland, where it sadly appears that the situation could again deteriorate; when Iraq needs reinforcing; when Afghanistan needs additional troops; when the Balkans, in particular Kosovo, could erupt; and when the tragedies of Darfur and elsewhere are clear for all to see—that we are actually reducing the size of the Army and in particular the number of infantrymen, who are the very people we need on current and future operations. Cessation of arms plotting certainly will help, but the Army will still be too small for what the Government expect it to do. They expect the Army always to succeed on operations, but they also expect it to sort out the foot and mouth crisis, to fire-fight and to undertake disaster relief."

Mr. Ingram: Just for the record, although this has been said from the Dispatch Box before—I have the utmost regard and highest respect for Lord Guthrie—it is worth the hon. Gentleman reflecting on the fact that the Regular Army is about 2,500 bigger today than when Lord Guthrie was Chief of the Defence Staff.

Mr. Simpson: The Minister's problem is that the Army is deployed more frequently and more of its personnel are now on operations. Unfortunately, as he said, size is not everything, and Lord Guthrie, who has considerable experience, makes the point that, at the end of the day, the Army's critical mass is too small. In particular, the fact that the Government intend to cut four infantry battalions will damage the Army's operational effectiveness.

Lord Guthrie continued:

"Ministers sometimes infer that the Chief of the General Staff, Sir Mike Jackson, and the Army Board approve the measures that are planned. We should be very clear that if adequate resources were available, they believe, as many of us do, that the Army should be increased in size. The Army Board is loyal to Ministers, as it should be—they make the best of it—but that does not mean that they are happy with a smaller Army. I hope Ministers recognise that. It is wrong for them to hide behind the Chiefs of Staff."—[*Official Report, House of Lords*, 17 January 2005; Vol. 668, c. 564.]

The current Chief of the General Staff said in an interview to a newspaper on 16 November 2004:

"I would much prefer increasing the size of the Army but that's simply not on offer. I can either accept what's on offer—a reduced size of the Army—or go . . . The debate about the Army's future is not simple. It is time to make some hard decisions."

Mr. John Smith: I wonder whether the hon. Gentleman could remind me of the last time a retired Chief of the General Staff said that we had enough Army personnel, or indeed that we had too many.

Mr. Simpson: The hon. Gentleman should know that any professional organisation always requires more, but to my mind and to those who have nothing to do with politics, to have provoked General Lord Guthrie of all people—he is very considered and has worked very closely with the Prime Minister and has been careful not to appear parti pris—into saying such things shows that the matter is one of considerable concern and worry.

Let me turn briefly to Army restructuring, regimental cuts and the reorganisation of the infantry, about which we have had many debates and many statements, and hon. Members on both sides of the House have expressed their concerns, as has the Defence Committee. It is extraordinary that, when we sadly have a stalemate in Northern Ireland, when Iraq may need reinforcing, when there could be other problems in Afghanistan and elsewhere, we are actually reducing the number of infantry battalions—the very people whom the Army and the other services recognise that we need on current and future operations.

The ending of the arms plot has been broadly welcomed—few people in the armed forces or outside would say that its continuation is necessary—but the kind of regimental cuts that Ministers came up with was not such a purist package as they made out. A number of options of one kind or another were on offer. The Minister rightly said that, from a purist, academic, or indeed a civil service point of view, there could be a good argument for reducing further the number of Scottish infantry battalions. Quite rightly, he said that a footprint of one kind or another must be borne in mind.

To any outsider and certainly to those in the Army, the absurdities of the infantry reorganisation, in which the Scottish regiments managed to get their names up front and the English regiments behind, appears to be the most amazing piece of military theology and tautology. I see the Minister smiling. The only point that I would make is that there was a template that the MOD could have used. One part of the infantry that it was decided not to touch were the Guards infantry regiments. The MOD director of infantry's briefing paper said that they were not touched because they have a ceremonial and national profile.

I would not disagree with that view, but the Guards infantry regiments represent the model that could have been used. They are effectively a larger regiment—a Guards regiment—and they retain in that regiment individual infantry regiments, with their history, battle honours, badges, recruitment and so on. They operate effectively, and in respect of arms plotting, they are able to post and cross-post between them. They are a national institution: the Grenadiers, the Coldstream, the Scots, the Irish and the Welsh. I should be fascinated to know why that model was not used—it seems a blinding glimpse of the obvious. That question will not go away, and I tell all hon. Members that I suspect that

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the reduction in infantry battalions may have to continue, as much as anything else, not just because of financial pressure but because of the pressure of reconfiguring the Army at large.

Not only has the Army been affected. The other two services at times rightly resent the fact that so much emphasis is placed on the Army. RAF trained strength will be reduced from the current figure of 48,500 to approximately 41,000 by April 2008. There may be a major reduction of RAF air bases and facilities throughout the country as part of that configuration. The process will be painful and will raise legitimate questions about the levels sufficient for the RAF to carry out its functions.

My hon. Friend the Member for Blaby (Mr. Robathan) will touch on the Royal Navy. There will be a reduction in the strength of not only its manpower but its platforms. As Admiral Lord Boyce has pointed out on numerous occasions, today we can have only one naval platform in one part of the world at any one time. There is incredibly limited flexibility, and if some of the cuts go ahead, operational limitations will be imposed on the Royal Navy, and its ability to assist in disaster relief will also be affected.

Has the average interval of 24 months between tours for the Army been achieved? The Minister rightly highlighted people policies and welfare, and I know that he and his predecessors have put a lot of time and effort into that. I am grateful for his comments about the treatment of our wounded and injured military personnel on operations, because rather lurid comments have been made in the press. I would not infer in any way that either he or his colleagues are insensitive to the situation.

I have some specific factual questions. How many personnel are currently receiving medical attention in the UK? Is there a breakdown between those suffering from physical injuries and stress-related injuries? I welcomed the Minister's comments about the work being done at King's college, London. How many of the servicemen who have been physically or mentally wounded in the past few years have been able to take up their former military careers? How many have been discharged, and what measures have been taken to compensate them financially and enable them to seek civilian employment? The Minister rightly touched on the problems that the Government, and indeed previous Governments, have faced regarding homeless ex-servicemen, which is often highlighted before the holiday season. Does he have any statistics showing many ex-servicemen are homeless today compared with a year ago, and is there a trend?

During our consideration of the Bill that became the Armed Forces (Pensions and Compensation) Act 2004, on which my hon. Friend the Member for Aldershot (Mr. Howarth) ably led for the official Opposition, the Ministry of Defence refused to address the inability of most members of the armed forces to earn a full career pension. Although we welcome benefits of the new scheme, such as the increase to the death-in-service benefit, it should be noted that the early departure scheme means that those who leave mid-career will be materially worse off than they would have been under the existing scheme. Such important manning and retention tools act as a pull through for members of our armed forces who would ordinarily have left earlier.

Owing to the heightened risks of military service and the requirement for those serving to have high levels of physical fitness, the compensation arrangements under the war pensions scheme have always been generous. The standard of reasonable doubt, which has traditionally been applied in the absence of a time limit on claiming, reflected the exceptional nature of military service and led to the awarding of many claims that would have been unlikely under comparable public service schemes.

Figures provided by the British Legion on claims made in 2002–03 suggest, however, that 60 per cent. of claims would fail under the new criteria following the introduction of the balance of probabilities and the five-year time limit. On Third Reading, the Under-Secretary confirmed that the change to the new scheme would result in a saving of £300 million over 10 years. What else can that money be except that which would otherwise have gone to those injured in the line of duty? Does that affect the Government's concept of a duty of care?

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin) *rose—*

Mr. Simpson: If the Under-Secretary is able to respond to my point now instead of at the end of the debate, I would be grateful.

Mr. Caplin: I shall say what I said before. As the hon. Gentleman knows, the Ministry of Defence contests the 60 per cent. figure. We have held discussions with the British Legion to examine the information in greater detail and are happy to work with it. He also knows that we were not looking at a figure for savings. The pensions and compensation schemes are separate, but both are cost neutral.

Mr. Simpson: I thank the Under-Secretary, and I look forward to hearing further representations from those affected.

The Minister of State touched on the problem of accommodation. Progress is not being made on improving service family accommodation. We understand that the target of bringing all core stock SFA in the UK up to standard 1 for condition will not be achieved by 2005. Why will it not be achieved, and will there be a new target date? What progress has been made on Project Slam to improve single living accommodation for members of the armed forces? I fully appreciate that new recruits in today's world—both men and women—much prefer, and indeed want, single accommodation rather than old-style barrack accommodation.

The Minister knows that about 8,900 troops have been affected by the failure of the "Pay 2000" computer software. What measures are being taken to address the problem, and what is the date by which he expects it finally to be rectified? I understand that he has to face several computer problems, as do Ministers across the board.

The Government have made much of their claim that the defence budget is growing by 1.4 per cent., but they have failed to point out it is about 2.2 per cent. of gross domestic project, which makes it lower in those terms than any defence budget for the past half century. There is frankly little confidence that the present defence programme can be achieved with 2.2 per cent. of gross domestic product. Conservative Members do not think that the Government are prepared to meet the financial demands of our front-line soldiers. According to a recent internal survey of the MOD's personnel, fewer than one in five—only 19.2 per cent.—agreed that the armed forces were well-equipped. A series of important decisions looms in the future about major items of kit and equipment and smaller, but nevertheless crucial, items of kit for individual servicemen and women on active service.

The Conservative party's commitment on defence, which was announced last October and reaffirmed at the beginning of the week, is to spend more money in the defence budget on the front line. We will also produce money from savings in other Departments to go to the front line.

I always think that the Minister would make a good music hall act because he changes between being serious and becoming a knockabout Scottish comedian—he is the Harry Lauder of the Ministry of Defence. *[Interruption.]* Harry Lauder was a much-loved figure with a knighthood. The Minister and other Ministers have suggested that the Conservative party's figures on defence do not add up. They said last October that we would cut defence spending, but now they say that according to their figures, ours do not add up. Let us have a look at examples of what they have done.

Since the Labour party came to office, £118 million has been wasted on the defence stores management system. Some £77 million was spent on a new radar for the Sea Harrier before the decision was made to take it out of service. The defence staff in Washington wrote off £8 million

"to regularise various control accounts used to manage Foreign Military Sales".

The Defence Procurement Agency was subject to a £40 million claim for

"delays in supplying design information and equipment".

Some £6.5 million was wasted on new aircraft lifts for the current aircraft carriers that were never installed. As a result of a change in accounting procedures relating to the submarine facility at Devonport, a write-down of £287 million occurred.

A National Audit Office report states that the total cost overruns in major defence projects was £170 million in 2000–01. This year's figure, £1.7 billion, is nearly 10 times greater than that. According to the NAO, the total slippage in time for major defence projects was 27 months in 2000–01. In the worst year to date, 2002–03, major defence projects overran by £3 billion. And the Government have the cheek to question our figures, which are based on information extracted from civil servants and military people from within the MOD who have been prepared to talk to us, experts from the City, and our own experience. The Conservatives intend to reallocate £1.8 billion of savings from within the MOD and to provide another £1.7 billion through extra spending. Those realistic figures are laid out in public and have been available to the Under-Secretary for the past year.

When the Minister and the MOD say that they are incapable of reorganising either the Defence Procurement Agency or the Defence Logistics Organisation, I think back 20 years to when Lord Heseltine, who was Secretary of State for Defence, introduced a chief of defence procurement. The howls of anguish within the MOD, let alone the total opposition from the Labour party on the grounds that the position would never work, were proved absolutely wrong. The next Conservative Government will do the same thing, and it will be better for our armed forces.

Mr. Deputy Speaker: The 15-minute limit on speeches by Back Benchers now begins to operate. Bearing in mind the length of the opening speeches, if hon. Members stick to the full allocation decided by Mr. Speaker, it will be very difficult to recognise everybody.

2.52 pm

Mr. Doug Henderson (Newcastle upon Tyne, North) (Lab): I will heed your comment and try to keep my remarks well within the time limit, Mr. Deputy Speaker.

I am pleased that we have this debate, which has happened for a number of years, on personnel policies in the armed forces. All Members of Parliament have experienced people who serve in the forces or their families telling them, "You come up with the high-falutin' policies on world politics, but we have to implement them and our families must live with that." The armed forces serve us proudly whenever they are asked to undertake a task and we owe it to them to consider their situation and that of their families. Serving officers and soldiers can also read reports of what is said in Parliament, which allows them to campaign and make their point, if they feel that that is necessary.

The armed forces know that they operate in a world of change and that their requirements always flow from political considerations. Hon. Members know that important changes in world politics, such as the destruction of the USSR, the threat from global terrorism and the problems that increasingly flow from poverty and the alienation of people in poorer parts of the world who see the life enjoyed by people in richer parts of the world, have affected the tasks that our armed forces carry out.

The institutions on which we have traditionally relied to implement our military policies must also change. In the past 50 years, we have relied heavily on NATO, which I continue to support, but NATO itself is questioning its own purpose. Is its only purpose to protect western Europe from potential threats or does it have a wider role? Should it operate within the western European theatre or across a wider area? Whatever conclusions it eventually reaches, they will inevitably have major consequences for our armed forces' structure and purpose and in respect of with whom our armed forces must link up, of training requirements, of operational matters and so on.

I see a world of increasing change. We have paid little attention to China and its potential economic and military power and we must build strong political

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relationships with it. I know that the leaders of our armed forces are aware of those considerations, and, whatever decisions we take, I am sure that our armed forces will be subject to major repercussions.

Thankfully, there is more agreement on such matters than many hon. Members would admit. The G7 countries and the leaders of the armed forces in those countries and beyond agree on the tasks that we face and there is much agreement in the House. I do not support the intervention in Iraq and believe that we should set out a timetable for withdrawal. However, I support 100 per cent. the need to have the military capability to operate at a distance—an expeditionary force, if you like—on behalf of our nation or our allies. Such a capability has major repercussions for logistics and operations and, consequently, on personnel policy.

I am not a member of the Select Committee, but I have read its reports. A great deal of emphasis has been placed on the strategy of effects. I thought that the world of politics and the military were trying to convince us that they have discovered something new, but Lord Haw Haw immediately came to mind. There is nothing new in the effects strategy, but if it was important in the past, it is crucial now because of instant media, embedded journalists and so on.

We must not only secure a physical victory in theatre, but convince civilians in that theatre that we are acting on their behalf in the interests of the values that we hold. At the same time, we must hold public opinion in our own country, in our NATO allies' countries and in UN colleague countries, which requires a different approach by our armed forces. I am pleased to say that the Government recognised that point in their dialogue with the Select Committee.

We want more resources to fulfil those greater tasks. I know that Front Benchers have argued about who can deliver what, but real-terms increases in defence expenditure have occurred in recent years and, this year, the increase is 1.4 per cent., which is welcome. It is necessary to increase resources, but resources cannot be increased for ever, so it is also important to use resources more efficiently, which has consequences for personnel policies. Some areas can obviously be improved and the need to reduce cost and get better value is never ending.

There is probably room for further efficiencies in internal logistics, which will have consequences. If a technician, rather than a middle-aged major, undertakes tasks in a warehouse because of restructuring, it has major consequences for officer structures in the Army and for sub-contractors, who are not members of the armed forces and who will carry out such tasks in the future.

The White Paper, which has my support, identified the key issues. The Army is not a museum that we must keep in its current shape for ever. It has to change as its task changes, and the people who know that better than anyone else are the Army personnel themselves—this point also applies to other armed forces—both officers and other ranks. They understand that what they are being asked to do in Iraq is completely different from what the Army was asked to do in Germany 20 years ago. They know that things have to change. They know that their principal purpose, according to the mission statement, is to protect the nation, our values and our way of life, and to carry out any tasks that they are asked to do. They know more than anyone else that there has to be change.

The Scottish nationalists raised earlier the names and structure of the regiments, and such issues are indeed important. I support the Government's proposed reorganisation of the regiments and there is a case for reducing the number from 40 to 36. Northern Ireland is part of that story, as is the need in the modern Army to diversify skills. Crucially, this is a relatively minor issue compared with the main one, which is how we protect our nation. We must also consider the purpose of NATO and how we deal with future expeditionary forces.

Annabelle Ewing: The hon. Gentleman says that restructuring is a minor matter compared with the bigger context that he describes, but perhaps he could explain that to the six Scottish regiments, which regard it as far from minor. Scrapping the entire Scottish regimental system surely cannot be described as a minor matter.

Mr. Henderson: I disagree with the hon. Lady. To my mind, restructuring is a relatively minor matter. It is important that we get the answer to it right, but compared with the question of whether a major threat to this nation or its allies exists in some other part of the world, it is not the main issue. Anyone who tries to tell the public otherwise is merely creating confusion. Such reorganisation is necessary.

There is also a clear need to re-orientate training programmes. The traditional requirements of war fighting will always be the central purpose of any army. If our Army is to be any kind of deterrent, people have to know that, if we go into battle, we are effective. That must be the central purpose of training, but there are other purposes that have to be met. Peacekeeping is a very important issue. There is no point in winning a battle, only to lose the peace three weeks later. We also have to be effective in dealing with humanitarian tasks. There is no point in winning a battle and keeping the peace, if poverty or natural disaster means that everything is then ruined and no humanitarian aid can be provided. Such an outcome renders those efforts purposeless, which is why our forces must be trained to deal with all those eventualities.

There is little disagreement over ending the arms plot. When I had to deal directly with such issues some years ago, I could not understand why everybody clung to it. I am glad that a different view is now taken and that a consensus has developed. My doubts about the arms plot arose from talking to soldiers' husbands and wives. They said, "It is unnecessary. We understand that our spouses have to be away and that there must be some disruption, but we don't understand why we must move camp to meet some general statistical plan." Ending the arms plot is a good move and it will win support among forces families. For working spouses, giving the family as much support as possible is important. Moreover, those with children do not want their education disrupted.

Many changes are ahead of us. Some are the consequence of changes in the European theatre, and others of technological advances. Some are the

consequence of the increasingly significant role of the United Nations and the demands placed on it, and others of the ever increasing need for specialist staff. Other important issues—we have been shy of tackling them in the House today—will also have major repercussions, such as how we replace our existing nuclear weapons and how we deploy such weapons. From the technical and operational point of view, that issue has to be faced. I have always believed that a nuclear deterrent is an important instrument in defending our country at home. It is perhaps not as important in dealing with overseas issues—I am glad that it is not—but it still has a role.

The armed forces have always responded to what we as a nation have asked them to do, and I am absolutely confident that they will do so in future. They deserve our support.

3.6 pm

Mr. Colin Breed (South-East Cornwall) (LD): I welcome this timely debate, not because it comes in a week when some of our armed forces are unfortunately in the media spotlight, but because it gives us an opportunity to remember and to pay tribute to those personnel still serving in Iraq, and to recognise the magnificent support that our armed forces provided in response to the devastating tsunami on Boxing day. A tremendous amount of work has been done and it reflects the huge variety of tasks that we ask our armed forces to undertake at a moment's notice.

Mr. Caplin: The hon. Gentleman rightly mentions the tsunami, but we should also consider matters closer to home and reflect on the work undertaken by the armed forces in particular in Carlisle and in Boscastle, which is of course in his own county. That shows the considerable contribution that our armed forces can make in dealing with crises at home arising from natural disasters.

Mr. Breed: Quite so, and the Minister will know how important it was that the helicopters used in Boscastle were very close to hand. I hope that he will reflect on the suggestion that they might not be there in the immediate future and think carefully before taking a decision.

We have heard this afternoon about our armed forces' various commitments and we have also heard that, unfortunately, there will be redundancies. All three of our armed forces will be subject to cuts and it is necessary for us to question the balance that is being struck between manpower and technology. Achieving the right balance is a difficult thing, as I have always accepted. It is a perennial problem for any Government. However, we have to weigh the demands of operating at the high end of the war-fighting spectrum against the equally demanding humanitarian and stability-related tasks that we are asked to carry out around the world. We recognise that technology is expensive, but manpower is invaluable. It is widely known that our troops on the ground are greatly admired for their flexibility, training and professionalism, which they can display in a variety of circumstances. We never underestimate their value, but we should also never overstretch their capabilities.

It is tempting to believe that fewer fighting troops are needed when technological advances are made in weapons and communication equipment, but it is clear from the events of the past few months that technology alone does not win battles. It therefore seems astonishing, as the hon. Member for Mid-Norfolk (Mr. Simpson) said, that even though our troops are still required in a variety of situations—be it Northern Ireland, Iraq, Afghanistan or the Balkans—we are seriously contemplating reducing the Army's size. In particular, a reduction is being considered in the number of those infantrymen who are a crucial component for many such operations.

I was surprised to read that, at a time when we are cutting our manpower despite our considerable commitments, it appears that the United States army is likely to increase its forces by another 20,000 or 30,000, despite its already huge numbers. We have indicated that we support the ending of the arms plot, which has been welcomed across the House, but we do not see why that should necessarily lead to a reduction in numbers. Cutting personnel numbers is a dangerous game, especially in the current climate, as there seems little likelihood of any major reduction in our commitments throughout the world, at least in the immediate future.

Recruitment and retention of our armed forces personnel are therefore even more crucial, as the Minister said in his opening speech. We must ensure that we have a continual recruitment process and that the forces have a promotional structure to retain our best servicemen and women. I was particularly pleased to hear of the continuation of the upgrading of family housing, which is crucial to retention. I shall listen with interest, however, to hear why there has been some slippage in that programme, which was welcomed by everyone when it was announced. I hope that the slippage is not too great.

As for reserve forces, reservists called up to serve in Iraq are said to be a little more unwilling to go again. At the moment, only a small fraction of trained reservists are immediately available. Clearly, some are untrained, some are unfit, and others are already stationed out in Iraq, Afghanistan and elsewhere. The considerable pressure on our reservists continues. Will the Minister comment on what progress has been made in recruiting and retaining reservists?

The ability to deploy and move around sufficient numbers of personnel who are suitably trained and appropriately equipped is vital, but the resources available and manpower levels in the Army are becoming dangerously low. The Minister will remember that the MOD's internal survey last year revealed that two thirds of those questioned were spending their money on extra equipment because they did not have enough confidence in that which was issued by the MOD, and nearly half our soldiers in Iraq had no confidence in their fighting kit. That same survey revealed that 39 per cent. of soldiers do not feel valued by the Army and that 35 per cent. felt that morale was very low. When asked whether the MOD looked after its personnel, only 3 per cent. of respondents agreed strongly, and 32 per cent. somewhat agreed, leaving a rather damning 62 per cent. who either did not know or did not believe that the MOD looked after its staff. Those figures are worrying. I hope that the Minister will provide some evidence of efforts made by the MOD to try to address some of the matters raised as a consequence of that. We need to address what our troops say in such surveys, as they are not just carried

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out for statistical reasons and I hope that there will be some evidence that the MOD has addressed some of the issues that underlie these views.

We must ensure that our forces have the best and most effective equipment. The alarming figures from the survey suggest that they do not. The amount spent on basic kit and equipment, as a proportion of total expenditure, cannot be large. The situation must be remedied so that no member of our armed forces feels compelled to purchase additional kit with their wages in order to feel more confident in any dangerous situation to which we send them. They are protecting us, so surely we must ensure that we protect them.

Training is causing some concern. We are witnessing signs of overstretch and it appears that some soldiers are being deployed who are less well trained than used to be, and perhaps should be, the case. I want to praise HMS Raleigh, which happens to be in my constituency and of which I and the community in South-East Cornwall are proud. It has undertaken some incredibly good training work, over many years, and it is an absolute joy to see many young men and women going into that training establishment and coming out as confident and effective young men and women going into the Navy. Training establishments such as HMS Raleigh are vital to our personnel and defence. Whatever budget calculations take place, our training establishments must be protected to ensure that they get exactly the right resources, so that training standards are not affected and we do not see any failures and incidents in training organisations such as those at Deepcut.

In our last debate on this subject, the Minister offered several Members the opportunity to visit a number of establishments. I took up that offer and was pleased to go. I do not know whether we were allocated a Chinook with a window missing, which allowed us to endure previously unknown temperatures, in order to demonstrate that the cuts were hitting. The visits to establishments were extremely worthwhile and we all came away much more impressed in the sense that there was a more proactive approach to recruits. The training officers, voluntary services and chaplaincies were all working effectively together to address some of our underlying concerns. I for one felt that that day was well spent and I want the Minister to recognise that those of us who made that visit felt that it was a worthwhile exercise.

It was interesting to read through the defence debate in the other place earlier this week, which was clearly attended by a considerable number of senior retired gentleman—five former chiefs of staff, I think. Although we might feel that they do not say now, when they are retired, what they might have said previously, if we reflect on that debate, I hope that the Minister will accept that they have a great wealth of experience from which they were trying to make constructive points.

This week, figures—to which the Minister referred in his opening statement—were revealed on the high number of soldiers who have been wounded and are now hospitalised. I hope that the sort of detailed analysis that was offered earlier, and which the hon. Member for Mid-Norfolk called for, becomes available. Some categorisation is important and I recognise that the hundreds mentioned could cover a wide spectrum of injury. It would be helpful if the MOD could provide some analysis of the figures. I hope, and I am sure that the MOD and Ministers will recognise, that those troops who have been brought back because of casualties demand our attention. I am sure that they will get that and hope that they will receive regular visits.

Perhaps more worryingly, the same newspaper report, although I agree that we should not always accept what we read in the newspapers, seemed to suggest that those who had been wounded, and their relatives, should not talk to the media, and should be careful of what they were saying and to whom they said it. That sends a worrying sensation through us and our constituents. We owe a significant amount to these men and women, and we should not deny them the opportunity to speak to Ministers and to their constituency MPs, if they wish to visit.

Finally, I am sure that the issue of voting is uppermost in people's minds. It is ironic, when we send our troops to places such as Bosnia, Afghanistan and Iraq to help promote democracy, that they should effectively be disfranchised. The number of registered service personnel voters has dropped dramatically since 2000, when there was a change from a single lifetime registration to a requirement to register every year. I am not certain why the system changed, so perhaps the Minister can explain. In some areas, only 10 per cent. of servicemen and women have registered, which is worrying. We have heard that they should understand what Government policies are and so on, but being able to vote is more important. I hope that the Government will ensure that our armed forces personnel do not lose their right to vote and will provide every opportunity to promote registration.

Mr. Caplin: I might be able to assist the hon. Gentleman. The hon. Member for Chichester (Mr. Tyrie) secured a Westminster Hall debate on the matter and I explained in detail all the changes stemming from the Representation of the People Act 2000. Unless my recollection is incorrect, I am sure that I answered questions on this in Defence questions only 10 days ago, and that the hon. Member for Blaby (Mr. Robathan) became excited. There is a great deal on the record about the issue, but the simple fact is that it is not as bad as it seems.

Mr. Breed: I am delighted to hear that and hope that it is the case. It would be helpful if the Minister gave us an idea of the number of people who have registered, and whether it is 10, 20 or 50 per cent.

In summary, we are extremely fortunate in the quality of our armed forces, which is the product of many years' work. I hope that we can further improve the career prospects of people who join the armed forces and enhance the training available to them. I hope that we can supply them with the equipment that they need and look after their welfare needs, as well as those of their families, so that we can repay them in the very best possible way.

3.22 pm

Mr. John Smith (Vale of Glamorgan) (Lab): Bearing in mind the earlier ruling by Mr. Deputy Speaker on speeches and the number of people who wish to speak, I will confine myself to one or two personnel issues.

I welcome our debate because it gives us an opportunity to pay tribute to the excellent work that our servicemen and women do throughout the world. Hon. Members who have the privilege of serving on the NATO Parliamentary Assembly regularly see examples of such work. We see our servicemen and women doing a tremendous job, often in grave circumstances. Whatever is taking place elsewhere today, it should not cast a shadow on the record of our service personnel. As an ex-serviceman myself, I am concerned about the effects of being put under the microscope by the media and of the 24/7 coverage. There is a certain naivety and a lack of realism in attitudes towards military conflict. Warfare is a brutal, cruel and bloody business, and anyone who thinks otherwise makes a grave mistake. My view is that mistakes take place in those difficult environments—there but for the grace of God go I. It may not be popular to say so—unfortunately, however, it is true—but in my limited military experience I saw some terrible things that make current activities pale almost into insignificance. We live in a democracy and members of our military forces who make mistakes will face justice and be made accountable if necessary.

The Government's record on personnel matters is particularly good, and the policies introduced since the strategic defence review are a credit to them. We have not implemented all those policies by any means and we will probably have to review a great many, but the Government's intentions are good as they are trying to change personnel policies in response to the dramatic change in the military's role since the end of the cold war. There has been an attempt to train, recruit and organise personnel to meet threats and challenges outside this country but there have also been dramatic internal changes. Earlier, we had an exchange about recruitment and retention in the armed forces. I remind Members that being able to recruit and retain servicemen and women when there is almost full employment is a hundred times more difficult than trying to do so when there are 3 million to 5 million unemployed, as was the case not very long ago. That is a major consideration. If we do not offer attractive terms and conditions, as well as support for service personnel and, in particular, their families, we will find it increasingly difficult to recruit and retain the best people to serve in our armed forces.

I therefore welcome the personnel policy that we have introduced and warmly welcome, as do most hon. Members, the abolition of the arms plot. In future, larger units will be located in an area for a much longer period, which will improve training, expertise and continuity. When I was in the forces a long time ago, my wife did not work. Now, however, practically every service wife, husband or partner wants to work, so we need an environment that allows them to pursue a career. Their children should all be able go to the same school. I have a large military base in my constituency, so I am aware of the problems, especially the educational problems, that affect families who move on every two years—for example, their children have to move to a different school. I am glad that those issues have been addressed.

I am also glad that we are rebalancing our forces and I welcome the restructuring that will allow us to meet the challenges that we face. I think that all in the House, if they are honest with themselves and assess what we need to do with the resources that we have, will recognise that restructuring the infantry regiments is inevitable. What is the point of having 40 infantry battalions if they cannot be deployed to carry out the tasks that we now face, rather than those that we faced 15 or 20 years ago during the cold war? It is much better to have 36 battalions that can be deployed at very short notice.

Annabelle Ewing: How do the hon. Gentleman's comments square with the fact that—to take one Scottish regiment—the Black Watch was recently deployed on its second tour of duty within a year in Iraq? The Royal Highland Fusiliers have just been sent out for their second tour of duty. I do not understand how that squares with what he is saying.

Mr. Smith: It does in fact square up because we want to share that burden of deployment so that more battalions can deploy in the front line and in difficult situations around the world. We have been unable to do that, partly because of the arms plot and partly because of the gaps that still exist in logistics and other areas, which do not allow us to mobilise those forces.

The way in which we conduct the process is very important. In Wales, we have seen the merger of our historic regiments. I support that move, although I know that it is not popular with everybody. We must do things the right way, however, and I believe that we have made a mistake in the names that we have chosen for those historic regiments, which have a 300-year history of excellence. The Royal Regiment of Wales has received battle honours such as the wreath of immortals, which was awarded to it after its heroic defence at Rorke's Drift. Playing about with its name after the Government have proposed restructuring is a mistake. The same policy should be adopted in Wales as has been adopted for the Scottish regiments in putting their historic titles first within their new names. That should be done in the new Welsh regiment, and failure to do it is a slight to the Welsh regiments.

Mr. Robathan: I think that I am right in saying that it was the South Wales Borderers who were at Rorke's Drift, after which they were incorporated in the Royal Regiment of Wales. Names are important, but I would like to get one thing absolutely straight: is the hon. Gentleman saying that he supports the reduction of the infantry by four battalions?

Mr. Smith: I certainly support the restructuring of our regiments to make them more usable and more deployable to face the challenges that are ahead of us. Anybody who denies the need for that restructuring has his head in the sand and is unaware of the problems that we face. There is still a debate to be had about the exact numbers of units and personnel, but there is no doubt about the need for restructuring.

Mr. Roger Williams (Brecon and Radnorshire) (LD): If we are going to quibble over titles, I point out that it was the 24th of Foot who were involved in Rorke's Drift. They were then entitled the Warwickshire Regiment, but they were recruiting in the south Wales area and went on to become the South Wales Borderers, who were in turn incorporated in the Royal Regiment of Wales.

Mr. Smith: Both those interventions are right, but we must be careful or we will lose the very argument that we

[Mr. Smith]

are trying to put. The regiments that have been mentioned have been amalgamated in the past, which proves that tradition and loyalty can be maintained. Nevertheless, we must get the message across about the Welsh regiment. The Prime Minister referred to the matter yesterday in Prime Minister's questions, and I hope that the Ministry will have another look at it.

In the time that remains to me, I want to focus on one very important personnel issue that relates not to the Army, but to the Royal Air Force. It is crucial that we get our personnel policies right. We must not only enable our forces to do the job that they were recruited for, but give them appropriate resources. The changes that are now taking place present us with a big challenge, which is why it makes no sense whatever that we have decided to give the Royal Air Force a role that has no military relevance. Following an announcement on 16 September last year, which was confirmed on 16 December, Royal Air Force personnel will now be asked by the Ministry of Defence to undertake depth support of our front-line offensive fighter jets at RAF bases in central and eastern England—something that they have not done for some years and that involves carrying out a function that they do not have the capability to carry out.

Depth support for Tornadoes and Harriers does not exist anywhere in Europe other than where such work has been done for the past 50 years, obviously with other front-line aircraft. It has been done by military personnel—including RAF personnel in the past—as well as civilians at RAF St. Athan. The reason why the RAF has not done that work for some years is that there is no military requirement for it to do so. There used to be such a requirement, but the Government have reached a conclusion that is somewhat bizarre and runs counter to the whole argument about rebalancing forces and outsourcing as much support for our front-line forces as we can to allow our military to get on with the job that we pay them to do and that they do best—fighting wars and preparing to fight wars. We now have the absurd decision by the Government to ask service personnel to do factory maintenance—deep maintenance—on those jets.

We are reducing the number of our deployable offensive jets to 64 ready at any one time. The support facilities must be available to ensure that those aircraft are repaired, maintained and overhauled correctly, as they have been for many generations in south Wales, at St. Athan in my constituency. The Government have decided to renationalise that function within the Ministry of Defence and to ask RAF personnel to carry it out. That is a dangerous move, which threatens front-line capability and is demoralising for the RAF.

I have a letter from a senior NCO stating that that is an appalling decision and recommending that one of the Ministers go to RAF Cottesmore, where the Harrier has recently been moved to be repaired in that way, and speak to some of the NCOs in the crew room—off the record, of course, and away from their commanding officers—and ask them what they think about doing such irrelevant work in the 21st century. There was a case during the cold war for our military personnel to undertake such factory maintenance, but since "Options for Change", aspects of which we picked up as a Government under the strategic defence review, all non-essential military work has been taken away from service personnel and given to the private sector or, as in the case of the Defence Aviation Repair Agency, outsourced to a trading agency made up entirely of civilians who operate in an exclusively commercial environment and who have done a fantastic job for the past five years.

Having built an £80 million military hangar that will open in three weeks—the size of six football pitches, it is the largest and most advanced military hangar of its type in the world—instead of repairing the prime of our front-line jets in that wonderful facility, the Government are to transfer the work to remote air bases in the east of England. When I say remote, I mean remote. I am old enough to have been stationed at one of them, RAF Marham—a delightful posting, as I recall it, nicknamed when I was there "the el-Adem with grass". There are probably not many hon. Members who can remember the RAF base in el-Adem, which happened to be in the middle of the Libyan desert. We are seriously proposing that the entire front-line fleet of the Royal Air Force is repaired in the middle of nowhere, with all due respect and apologies to any hon. Member who represents that area. I had a lovely time at RAF Marham, and they were lovely people, but it is not the place to repair the RAF front-line fleet.

I can tell my dear friend the Minister that that demoralises military personnel. They know more than most that what they are being asked to do is nonsense. The work that is to be done at RAF Marham was done by RAF personnel at St. Athan five years ago—4,500 military personnel were doing the work that 1,500 civilians do now. Anybody who has had service experience knows that there is no great mystery about that. Military personnel join the forces because they want to play a part in defending our country. They want to work together as a team, doing something relevant in that defence. They are the first to spot it when they are asked to do something that is not directly relevant to that role. They know damn well that what they are being asked to do in respect of maintaining the front-line fleet is wrong.

I make a prediction: the RAF will be unable to meet its in-service date for the Harrier after giving that work to the RAF. The front-line capability of our Royal Air Force is placed at risk by such work being given to the RAF. The RAF will do it, and do it to a very high standard—there is no such thing as not getting the job done—but it is not noted for doing it within fixed budgets and efficiently. If they had wanted to be aircraft engineers in big factories, they would not have joined the Royal Air Force.

It is no good my coming back in five years' time and saying, "I told you so." I plead with the Government to look at this issue again. I ask them to give this work to the people who can do it—either the civilians who currently do it or others—and for goodness' sake do not waste vital pounds of our defence budget on unnecessary work.

3.40 pm

Mr. Peter Viggers (Gosport) (Con): I hope that the Government listen to the hon. Member for Vale of Glamorgan (Mr. Smith), who speaks with passion and

has right on his side. It goes against the stream of Government decisions to bring work back from a specially designed, skilled organisation and allocate it to service personnel who are more expensive to maintain. I really think that the Government are going down the wrong route on this issue, and the hon. Gentleman is absolutely right to campaign on it.

It is always a pleasure to listen to the Minister, but I regret the absence of the Secretary of State. One might say, "The House is rather thin, and why should the Secretary of State spend his time in a thin House?" But what about cause and effect? If Cabinet Ministers were shown to be taking account of debate in this House, where many of the speeches are made by people with very specialised skills and knowledge, the House might fill up and the Government might learn something.

At their best, the armed forces are absolutely outstanding. Right at the top, they are commanded by people who have usually been to the Royal College of Defence Studies to take a one-year course that gives them a rounding and a generalisation that armed forces chiefs in many other countries do not have. The RCDS is outstanding and contributes very much to the exceptional and rounded skills of our leading generals, admirals and air marshals. Likewise, Shrivenham staff college is exceptional in providing ranks at the level of major across the three services with broadening experience. I will never forget the last day of the Shrivenham experience—it was devoted to the realities of war, and people with experiences ranging from the D-day landings to being shot down over Iraq came to speak about the reality of being involved in war.

The Army, Navy and Air Force provide the largest single amount of training for 16 to 20-year-olds in this country. As a member of the Defence Committee, I visited several training establishments when we carried out our study on the duty of care to those who are undertaking training. We found that they, too, are responsible for producing very well-rounded people. It is a remarkable fact that these young men and women, some of whom have pretty rough edges, can be facing fire after as little as eight months. The armed forces have an exceptional ability to train people and to bring them forward. A corporal commanding a patrol will take decisions with very little time and very little experience other than the training that he has been given. The ability of those young people to accept responsibility is remarkable. It is amazing that they can be given responsibility for using sophisticated and expensive equipment, including weapons that can kill. The armed forces do an exceptional job from top to bottom.

There have been various discussions about overstretch—a word that tends to be used a great deal. The 1999 defence White Paper referred to the need to retain the edge of skills and

"to solve the deep-seated problem of overstretch".

Even in 1999, the Government were looking forward to solving that problem. Overstretch means that more tasks are being given to armed forces personnel than they can do well and safely on a resilient, continuous basis. The Chief of the Defence Staff recently told the Defence Committee that the armed forces could not undertake another operation the size of Telic—the operation in Iraq—until the end of this decade. He said that we will not

"be able to get to large scale until . . . 2008 or 2009".

Overstretch means that there will be more deployments and that individuals will have less time between deployments, more time overseas, more time away from their families, less training and less preparation. That can cause problems.

I want to discuss three aspects of overstretch. First, the reserves are now more committed than ever before to being involved with the regular armed forces. Their role in providing infilling for the regular forces is very important, but there is one role that they do not currently have. They do not have the ability to reconstitute a much larger Army should there be a need to expand the Army rapidly. That has always been the role of the Territorial Army: to provide a framework around which it is possible to reconstitute a much larger armed force. During the last war, units with the framework of a Territorial Army unit were much more effective than units created from scratch. Asymmetrical warfare may lead to threats that we cannot currently anticipate. What might the unexpected be? I do not know, of course, because it is unexpected, but I think it is an unwise Government who fail to maintain the ability to reconstitute much larger armed forces.

The second aspect of overstretch that I want to discuss is the treatment of prisoners of war. I am extremely conscious of Mr. Speaker's ruling and nothing that I say should be interpreted as a comment on current events, but current events did cause me to look into the manner in which prisoners of war should be treated and the way in which the rules came about. It is quite a touching story.

In 1841, a Swiss who had been on a battle site went back to Geneva, and with four colleagues from Geneva created, in 1848, what became the International Committee of the Red Cross and the first four Geneva conventions. The first is the convention for the amelioration of the condition of the wounded and sick in armies in the field. The second is the convention for the amelioration of the condition of wounded, sick and shipwrecked members of armed forces at sea. The third relates to the treatment of prisoners of war, and the fourth is relative to the protection of civilian persons in times of war. It is laid down clearly that people who comply with the conventions are

"especially required to ensure that the implications"

of the Geneva conventions

"are clearly understood by members of their Armed Forces and by the civilian population. In order to assist this process"

the conventions

"place an obligation on signatories to disseminate the text of the Conventions to appropriate military and civilian personnel."

My reading on this subject included a Ministry of Defence publication dated March 2001. I read about commanders' responsibilities. Commanders in military campaigns are instructed that prisoner-of-war issues should be taken fully into account. Paragraph 202 states:

"In recent military campaigns PW issues were not taken fully into account as a planning factor. This resulted in UK forces being faced with the problem of handling very large numbers of PW for whom little provision had been made in terms of accommodation, food or clothing. Fortunately, in recent operations the problems of dealing with such a large number of PW coincided with the collapse of the opposing forces and the end of hostilities. Had this

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not been the case and had operations continued, the problems posed by the presence of large numbers of PW and the requirement to administer them would possibly have had a profound influence on the conduct of operations."

It is clear from my reading that there is a heavy obligation on all those planning any military operation to take advanced notice of the manner in which prisoners of war are to be handled. There are strict rules about the escorting of prisoners of war and the work that they are allowed to undertake. Paragraph 3G9 of the MOD publication states:

"PW working conditions are to be guided, as far as is possible within the constraints of operations, by the provisions of the UK Health and Safety at Work legislation. Conditions must not be of a lesser standard than those enjoyed by members of the UK forces or of UK civilians engaged on similar work."

I was not aware, until I studied these regulations, of the extent to which it is an obligation on every power to plan for prisoners of war and to take all proper provision to ensure that they are looked after in a decent manner.

My third point on overstretch relates to Defence Medical Services. This is another area of undoubted weakness. The current military plan is that the Army should be capable of producing 14 field hospitals—three from the regulars and 11 from reserves. In fact, the regulars are capable of producing one and a half field hospitals, while the reserves could produce two and a half, making a total of four. That shortfall is extremely serious and it is merciful that we have been spared from having extensive casualties in recent military operations.

A recent press report, the accuracy of which I do not know, suggested that 790 casualties had come back from Iraq. They would have to be spread among the civilian hospitals around the country. The Government decided in December 1998 to close the remaining military hospital, the Royal military hospital Haslar, which is in my constituency. I am delighted to say that it is still in service and I hope that the Government will rethink their plans. The Government's strategy was to move to a new centre of defence medicine in Birmingham, based at Selly Oak hospital, at a cost of £200 million. However, they ran out of money and cancelled the £200 million that was intended to go to Selly Oak. As a result, the new centre of defence medicine is based loosely around Birmingham university hospital, but it does not have its own centre for the purposes of ethos and morale. It does not have its own mess arrangements or sporting facilities, for example.

While the Government take great pride in the fact that they are recruiting quite well into Defence Medical Services at the moment, the level of retention is extremely bad—there is very little to keep someone at consultant level in the armed forces. The result is that Defence Medical Services will recruit people from school and university but will find it very difficult to retain them at consultant level. That will lead to an even greater loss of defence medical personnel than we are experiencing at present.

The Under-Secretary knows, because he and I have debated this many times, that there is already a critical shortfall in the key faculties of anaesthetics, general surgery, orthopaedic surgery and general medicine. That will get worse unless the Government rethink their proposals. We in south Hampshire continue to believe that the right way ahead would be to realise that Selly Oak is not working and instead to work for increased facilities where the armed forces tend to be based, which is in the south Hampshire area. This work could certainly be done in hospitals around Southampton and Portsmouth.

My concern about the Government's personnel policy in the armed forces is that they are trying to deal with existing issues, but that there is very little in reserve to deal with the unexpected. We ask a great deal of our armed forces and we should treat them accordingly. Our treatment in terms of pay, pensions and conditions is not as good as that of many of our allies, including the Germans. We should take account of that and do rather better for our armed forces.

3.53 pm

Mr. Tam Dalyell (Linlithgow) (Lab): It is fortunate that the Minister on the Front Bench should be the Under-Secretary responsible for the one topic that I wish to raise: Gulf war syndrome. I should like to acknowledge the work that has been done on this subject by Lord Lloyd of Berwick, whom I have known for 60 years. He was a Lord of Appeal in Ordinary from 1984 to 1993, and Chairman of the Security Commission from 1992 to 1999. I also acknowledge the work of Lord Morris of Manchester, who, as Alf Morris, was my close friend and mentor in all matters relating to the disabled for a third of a century.

Frankly, I am not a newcomer or a Johnny-come-lately to this subject. On 2 May 1995, I asked the Secretary of State for Defence what concrete evidence he had of Gulf war syndrome. This reply was given by Roger Freeman:

"To date, we have found no convincing scientific or medical evidence from our investigations, or elsewhere, to suggest the existence of a Gulf war syndrome."—[*Official Report*, 2 May 1995; Vol. 259, c.158.]

Subsequently, some of us went on a delegation to him. I have to say that he was a listening Minister and I believe that he did his best. On many occasions, and particularly on 18 June 1996, Alf Morris followed the matter up with Nicholas Soames, who told him:

"The Government take seriously the health concerns of all service personnel, and we are committed to ensuring that those who believe they are ill as a result of their Gulf service receive the best possible treatment."—[*Official Report*, 18 June 1996; Vol. 279, c. 412W.]

I fear that that is not the view of many of the people affected.

On 20 December, the Under-Secretary wrote to me:

"As you are aware Lord Lloyd published his report on 17 November. I have studied the report carefully. However, the MOD view is that it contains no new substantive or scientific evidence to support its conclusions and recommendations. It also fails to take into account the large amount of either substantive or scientific written material provided by the MOD to Lord Lloyd to help inform his investigation."

That is outrageous. Ministers say that the Lloyd report produced no new scientific evidence, but why should Lord Lloyd be required to produce new scientific evidence when it is already there? Is the work of Simon Wessely on the Gulf war health effects and that of lady Professors Doyle and Cherry—world experts in this

matter—to be viewed as worthless? Is it being denied that soldiers and civilian personnel who went to Iraq are twice as likely to have symptoms as those who did not?

The brutal truth is that many people have become ill over the past 15 years precisely because they did go to Iraq. Are the ill veterans satisfied with the way in which they have been treated by the MOD since their return from the Gulf? No, they are not. They feel let down and rejected. Those are not my words, but that is how they feel—let down and rejected. I am using the words of Lord Craig, the general officer commanding at the time of the Gulf war and, indeed, a member of the war Cabinet. Those words were echoed by Lord Bramall.

Lloyd set out some of the reasons behind those feelings. He quoted extensively from the relevant reports of the House of Commons Defence Committee. In relation to the MOD's delay in commissioning epidemiological research, the report states:

"In responding to the allegations of a Gulf War Syndrome, the MOD have been quick to deny but slow to investigate . . . in the Committee's view the MOD's response had been reactive rather than proactive and characterised throughout by scepticism and defensiveness and general torpor".

In relation to the organophosphate pesticide-saga, the report highlighted

"the culture of resistance that pervades much of the MOD. There seems to be a deep-seated reluctance to respond positively to external stimuli . . . Despite all the outside signals, parliamentary questions, press articles, letters from veterans, etc, the MOD continue to assume blithely that everyone else was wrong."

Indeed, I fear that torpor is not an unfair description because on 17 January, I asked the Secretary of State

"whether he has discussed with his US counterparts the findings of the Report on Scientific Progress in Understanding Gulf War Illnesses of September 2004 commissioned by the US Secretary for Veteran Affairs; and if will a make a statement."

The answer was:

"No."—[*Official Report*, 18 January 2005; Vol. 429, c. 835W.]

That was curt and rather rude. I am not pompous about being Father the House of Commons, but the Ministry of Defence might have provided a more decent answer to a parliamentary colleague.

Why has the United States evidence from Texas been ignored? Why has not the work of Professor Robert Haley of the Research Advisory Committee, including paragraphs 430 to 444 of his medical appendix, been taken into account? The paper contains the combined expertise of US experts. The US has been far better on the matter than the British Ministry of Defence. I do not know why the issue has been dismissed here.

The recommendations of the Lloyd report should be taken seriously. First,

"The MOD should acknowledge publicly that the veterans who have made claims (other than the 272 who have had their claims rejected) are indeed suffering injury or disease as a result of their service in the Gulf."

Secondly,

"Since the name of the injury or disease is only a label for wrapping the symptoms from which the veterans are undoubtedly suffering, the Ministry of Defence should accept the name favoured by the veterans, that is Gulf War Syndrome, as the most convenient label."

Thirdly,

"The MOD should set up a fund out of which ex gratia payments should be made on a pro-rata basis to all those who have made successful claims."

Fourthly,

"The 272 Claimants who have had their claims rejected should have those claims reviewed in the light of this report."

There are further claims from the National Gulf Veterans and Families Association.

Mr. Caplin: My hon. Friend will recall that, at Defence Question Time shortly after the publication of that report—I think it was 29 November—I announced that we would examine the 272 cases. In fact, 100 or 110 cases need review. That work is happening now at the Veterans Agency.

Mr. Dalyell: Yes, but what is the time scale? To put it bluntly, such action has been greatly delayed. It has taken years. My hon. Friend will forgive us for being extremely angry about it. The Under-Secretary is dealing with people such as Lord Morris, Lord Lloyd, Lord Craig and Lord Bramall, and I simply do not understand why the British Ministry of Defence has been so tardy.

Last night, I spoke again to Dr. Graveston of the National Gulf Veterans and Families Association. He says:

"There needs to be recognition that the Gulf Veterans illnesses are due to, and attributable to service.

Recompense"

should

"be awarded to reflect the ruined lives and families, the lost careers, the physical and mental suffering."

He also said that there should be

"Proper well directed research into GWS like that done in the USA.

Effective medical treatment for ill Gulf Veterans by educating health care professionals about GWS".

and

"Implementation of the statutory right for war pensioners to have priority medical treatment."

As a Labour Member of Parliament, who has been here for a long time, I am ashamed of the seven years of Conservative lack of action but even more ashamed of seven years' inaction by a Labour Government.

4.4 pm

Mr. John Greenway (Ryedale) (Con): My hon. Friend the Member for Gosport (Mr. Viggers) spoke earlier about the treatment of prisoners of war. I want to make two comments about that, and I hope that they do not infringe the correct ruling given earlier by Mr. Speaker.

I hope that, over time, the wider world will accept that the humanitarian relief extended to the shattered communities devastated by the recent tsunami in the Indian ocean and the work being done to help rebuild them, will be regarded as more typical of the conduct and professionalism of the British soldier than the alleged abuse of prisoners in Iraq, about which we all feel such shame. I have some personal experience of the treatment of people in custody, which I gained all those years ago during my police career. I shudder to think that this year it is 40 years since I joined the force.

Mr. Peter Atkinson (Hexham) (Con): How long is it since my hon. Friend left?

Mr. Greenway: It is 35 years since I left. My experience is that men of the utmost good character and

[Mr. Greenway]

capable of acts of great courage can—in the heat of the moment, or as a result of provocation or out of a false sense of triumphalism—lose all sense of what is right. They can lose the self control and discipline—

Mr. Deputy Speaker (Sir Michael Lord): Order. I am conscious that the hon. Gentleman prefaced his remarks by saying that he would be careful, but I think that he is already starting to veer into dangerous territory. The whole House needs to think very carefully about this matter now that so much has been said about it. Mr. Speaker made his statement earlier today, and I shall listen carefully to what the hon. Gentleman says, but he ought to steer away from that line now, for the sake of safety in this matter.

Mr. Greenway: I am grateful, Mr. Deputy Speaker. However, I wanted to conclude this section of my contribution by saying that my concern centres on the remarks made in the other place on Monday by General Lord Guthrie, to which my hon. Friend the Member for Mid-Norfolk (Mr. Simpson) referred earlier. Lord Guthrie said—and he should know better than anyone—that he believed that people were being sent to Iraq without proper training. That is a very serious issue, and we must consider it in the context of the current situation.

Mr. Deputy Speaker: Order. There are imputations in the words that the hon. Gentleman is using. I do not want to cut him off altogether, but I hope that he will now move on to another topic.

Mr. Greenway: I certainly will, Mr. Deputy Speaker. My hon. Friend the Member for Mid-Norfolk made the point that Lord Guthrie also made it clear that the Chief of the Defence Staff and the Army Board would prefer the Army to be increased in size, and that they are generally unhappy about the cuts being made in the infantry. It is on that point that I wish to focus my remarks.

The Army has obeyed the Government's decision. All those who take a close interest in this matter understand the philosophy that commands are given and must be obeyed. However, although many of us have tried to be extremely constructive in our approach to the potential outcome of the Government's decision to reduce by four the number of battalions, to restructure all the regiments and to reduce the overall number of infantry soldiers, that does not mean that we agree with it. My view, which has already been expressed in this debate by other hon. Members, is that we should not be reducing infantry numbers at this time, or making the cuts on which the Government have decided.

In this debate, and in Monday's debate in the other place, a number of speakers have emphasised the degree of overstretch faced by the Army. They have also noted that we ask the Army to attend to any problem that might arise. Very often, that involves the relief of problems in our own society, such as those arising out of the atrocious weather of recent days.

I have said that we have tried to be constructive, but I want to draw the House's attention to the remarks made by General Sir Mike Jackson to the Defence Committee last week. The Chief of the General Staff praised the way in which Yorkshire's three regiments were willing to bite the bullet and get on with the job of transforming themselves into a new regional super-regiment. However, as the Under-Secretary knows, it was a close-run thing. From the letter that the Chief of Staff sent to all commanding officers on 16 December, it can be seen that the original intention was for two out of six regiments from the King's Division to be scrapped, which meant that one of the three Yorkshire regiments would have been scrapped. I am pleased that the case that I have made in this House and, particularly, in Westminster Hall in November—that if there were to be cuts in the number of battalions, the Army should stick with the three battalion cuts that it had identified and put the fourth to one side—has been accepted. That has sensibly been done by moving sideways the 1st Battalion the Parachute Regiment to a support battalion for our special forces from 2007.

Great relief is felt in Yorkshire that the three Yorkshire regiments will form the only future county regiment, the Yorkshire Regiment, but we still have some considerable concerns. The first fear is that the individual identities in the new structure, especially the Green Howards and the Duke of Wellington's, will be relegated into brackets. Several hon. Members have mentioned the way in which the new names have been crafted, which means that they could be airbrushed out at any time. The new structure will basically result in the Yorkshire Regiment, with 1st, 2nd and 3rd Battalions. At some convenient future date, one of those battalions could be dropped.

Several hon. Members have referred to the situation in Scotland and contrasted it with England and Wales. Scotland is being treated differently. I have read what the Chief of the Defence Staff said and I have spoken to the Minister of State. I understand that in Scotland six regiments will, in effect, be reduced to one and that there was therefore a case for putting the old names of the regiments ahead of the new names for the battalions of the Royal Regiment of Scotland. I do not understand the advantage of doing that. What is the reason behind it and what difference will it make? If it makes a difference to Scotland, surely it would make the same difference in England and Wales. However, if it is completely worthless and does not mean anything, why not do it anyway, given that many of us feel so strongly about it? The suspicion is that the Scots will largely retain the old regimental system within a regiment, whereas we in England and Wales will not.

Pete Wishart: It takes more than a name, whether in brackets or before a divisional name, to make a regiment. What makes a regiment are things such as cap badges, traditions and local recruiting areas. All those will be lost to Scottish regiments. It will make no difference if a name survives in front of a new title.

Mr. Greenway: Well, we think that it will. The colonel of the Green Howards has made clear the utter determination of the three regiments to make the new Yorkshire Regiment a great success and to be the very best in the British Army. The Under-Secretary knows that that is the case. One would expect nothing less from a regiment that has faithfully served the Crown since 1688.

I want to use this debate to explain a dimension to the argument that is often overlooked by people outside Yorkshire. It is a big county, more than 100 miles from north to south and almost 100 miles from west to east. In many respects, it is three if not four counties in one, with people still having strong links to and feelings for the old ridings. The Green Howards was a nickname adopted in 1744 to avoid confusion with another regiment commanded by a Colonel Howard; the soldiers had green facings on their uniforms and their colonel was the Hon. Charles Howard, the second son of the third Earl of Carlisle, who built Castle Howard in north Yorkshire. The regiment has been associated with the north riding of Yorkshire since 1782 and is one of only two English infantry regiments never to have been amalgamated. Similarly, the Duke of Wellingtons have always been associated with west Yorkshire. Since 1875, we have had a Scandinavian link through the colonels-in-chief; the present colonel-in-chief is King Harald V of Norway. We do not want that link to be lost.

At present, the three Yorkshire regiments have the brown beret in common. I hope that a new cap badge, fitting to the new regiment, will be one of grand design of which we can all be proud, and not based on the old Yorkshire Brigade cap badge of the 1960s. I can see no reason why at battalion level the belt buckle and rank slides of the three regiments should not be retained, nor even their mess dress, which, individually, could incorporate the new regimental insignia.

The Army may say that is none of our business, but I hope that the openness and public involvement of the past six months will prevail and that the Army does not close ranks and shut us all out. Without public support, the Army will not achieve what it wants by establishing the new single regiment.

Recruitment needs close public involvement to promote the right climate and attract the right calibre and numbers. Even in a recruitment area as small as that of the Green Howards, local contact is still necessary. The Army is not a major employer, but there are local links; for example, the Green Howards marched through Scarborough and Middlesbrough with fixed bayonets and colours flying, when they came back from Afghanistan last October.

Communications are also important. When our forces are on operations, some of which are extremely dangerous, people back home see and hear every movement and event as it happens. The stress and strain can be far harder for the families and communities left behind than for those on operations. The Chief of the Defence Staff has made it clear that families should have high priority in the future Army structure. Being in a close-knit community is a great help, just as community spirit is for those on the ground. Public support for our individual regiments over the past few months, especially for those serving in Iraq, has been tremendous. I pay tribute to the *Yorkshire Post* for highlighting our concerns and for helping us with our campaign. None of us wants to lose the good will that has been established.

I have told the Secretary of State in earlier debates that a Yorkshire regiment of three battalions and one Territorial Army battalion could be a real success. We must give the four battalions a chance and an edge and that will be greatly enhanced by allowing their individual identities to remain. That will give the Government everything that the future infantry structure requires and a regiment that the people of Yorkshire can continue to support and with which they can identify. The motto, "Once a Green Howard, always a Green Howard", is very much enshrined in the north riding community. I want it retained and taken forward.

None of the three battalions in the Yorkshire regiment will ever see one another in future, because they will all be posted to different places, some of them in other parts of the world. That gives rise to a question that was put earlier in the debate: why do we need to abolish the existing regimental structure? Even if one conceded—I do not—that the Government have a case for reducing the number of battalions by three, that does not mean that we should scrap all those regiments. Furthermore, we all now understand and appreciate the importance of scrapping the arms plot, but none of us can see why the ending of the arms plot should mean scrapping all those historic regiments—a central feature of the debate in the other place on Monday. However, that is what the Government have decided to do and, in Yorkshire, we will try to make a success of the new regiment.

The Minister of State said earlier that the Government and the Army Board are listening to the arguments about identities. I hope that he, his colleagues and the Army Board will reflect on what many of us have said in the debate about the importance of the names and the way the regiments are structured, and the importance of ensuring that as much of their current identity as possible is retained for the future. I genuinely believe that that is an important ingredient in the Government's achieving what they want.

4.20 pm

Mike Gapes (Ilford, South) (Lab/Co-op): The Defence Committee—at least, most of it—is in Cyprus, and it is unfortunate that the debate clashes with that visit. It is not the first time that something like this has happened, and I am sure it will not be the last, but I hope that planners will look at such matters in the future to try to allow as many members of the Committee as possible to attend such debates.

The Defence Committee is visiting our forces in the sovereign base areas on the island. It is part of our ongoing work as a Select Committee that we visit our forces. In the past year, we have visited Kosovo, Bosnia and Iraq, twice. We have also visited British forces in other parts of the world, and we will continue to do so. One of the things that I have learned during my two periods as a member of the Committee is the high quality and calibre of our people in the MOD and our armed forces. I shall not comment on the cases that are currently before the courts, but irrespective of whether the allegations are true, they are extremely damaging to everyone's reputation.

The Defence Committee has three inquiries going on simultaneously, one of which is into the duty of care. That inquiry has taken us to the initial and other training establishments around the country and has involved various other visits. I went to Hendon police college while looking at comparator organisations. I have seen how young people are trained, how instructors do their work and how people learn not just the aspects of the military regime but how to become

[Mike Gapes]

better citizens in the wider sense, so that they can get worthwhile employment in society when they leave our armed forces.

When we see the work that the British Army is doing in southern Iraq, with the quick-fix projects and the enormous skills that are deployed, we realise that it is continuing to have an enormous, positive impact on Iraq. Full-time military personnel and Territorial Army people are assisting with water projects, construction, administration, banking and all kinds of things that the military should not really have to do, because regrettably no one else is around to do them, given the lack of trained people.

I wish that our broadcasters in this country—particularly the BBC—would say something about what we are doing positively in Basra and elsewhere, instead of only basing in Baghdad journalists who take television footage of atrocities and incidents and then comment on them. It is dangerous for journalists—it is dangerous for other civilians—but we have stories tell about what is happening in the south of Iraq. Those stories are not getting out because the journalists are not there to report them. I make an exception for two journalists—one from the *Financial Times*, the other from *The Times*—whom I met during our visit to the police training college in December, but it is important that the media give a balanced view of what is happening in Iraq, particularly now in the run-up to the elections and directly afterwards.

In its ongoing inquiry into events in Iraq the Defence Committee has asked a number of questions about investigations into allegations of misconduct. I will not comment on any specific case, as I have said. A memorandum that we were sent in September said:

> "The total number of Service police investigations involving allegations of abuse against Iraqi civilians is currently 131. These investigations cover a range of incidents including operational engagements, negligent discharges and road traffic accidents as well as the alleged physical abuse of detainees. A number of these investigations have concluded with no case to answer. Other investigations are in their early stages".

It said that the number of personnel who had been reported for specific offences was 35 as of 31 August. Will the Under-Secretary tell us how many allegations have now been made and how many personnel have been reported for specific offences?

The memorandum also told us that 55,000 servicemen and women had served in Iraq, and the Prime Minister told us yesterday that the figure is now 65,000. It is clear that a large proportion of our armed forces have gone through Iraq over the past year and a half, and I suspect that many more will go in the coming months as we continue to assist after the constituent assembly is elected and in preparation for the referendum on the new constitution later in the year and the elections for a Parliament, which are scheduled before the end of the year. However, we also need to get many more civilians into Iraq, so the Department for International Development should do far more to assist with the projects that our military have had to carry out over recent months. That could be done safely in the area in which the British military are based, because the situation there is not as it is in other parts of the country.

The Committee's third inquiry is examining future capabilities. We recently took evidence from the Chief of the Defence Staff and the Secretary of State, and we will take more evidence before we conclude our report. We will publish our three major reports in the next few months. I am sure that we will have them out just before the general election—whenever that is.

As I said earlier, I have visited Kosovo and Bosnia, so I would like an update on what has happened following the transition of the control of forces in Bosnia from the NATO SFOR to the European Union EUFOR. Is it going well, and have we solved the problems caused by different national rules—the so-called national caveats? They prevented co-operation, because countries such as Germany had restrictions on the policing role of the armed forces, and caused other difficulties. Given that we are six weeks on from the transition, may we have an update on the situation?

My right hon. Friend the Minister referred to the situation last March when we had to intervene in Kosovo at short notice because of disgraceful violence and the fact that Albanians were burning out the homes of the Serb minority. Pressure and difficulty are increasing because the majority in Kosovo have expectations that their status will finally be resolved in 2005, but there is no easy resolution to the situation. It is reported that investigations are being held into many leading figures in the Kosovo Administration. The recently appointed Prime Minister of Kosovo, Mr. Ramush Haradinaj, has close links with some of those against whom allegations have been made and his brother has been arrested. If another upsurge of orchestrated activity occurs, I would like an assurance that the NATO forces and our own people will be ready for it and that a period of a few hours, or perhaps even longer, in which they do not intervene does not occur, which was the difficulty in March last year.

I want to move on to my final remarks and shall try to finish in less than the maximum time, to allow Opposition Members to speak. On ethnic minority recruitment into our armed forces, the MOD has published a helpful document, "Race equality scheme 2002-2005 progress report 2004", which reveals that the number of ethnic minority personnel has increased in all three services. However, it admits that progress has been slower than expected and that the percentage goals have not been met in all respects.

I ask the Government to redouble their efforts. My constituency contains large numbers of people from all kinds of ethnic minorities. In my work with the Select Committee, I have seen people from all over the world serving with British forces, which is partly due to recruitment from Commonwealth countries. I have come across Fijians, Samoans and people from other parts of the world, as well as pilots from New Zealand, in our armed forces. However, I hope that we can start to recruit British-black, British-Indian and British-Pakistani people, so that our forces more accurately reflect the diversity and nature of modern Britain.

Finally, the excellent work by British forces, which we always expect, in the relief of people who have suffered from the tsunami has already been mentioned. My Sri Lankan-Tamil constituents want me to put it on record in this House that they greatly appreciate our efforts. They are a little bit concerned that some of the aid to Sri Lanka is not getting through to Tamil areas because of

the history of internal conflict, and they want the British Government to do whatever they can to facilitate that process so that aid is distributed fairly.

My Sri Lankan-Tamil constituents have nothing but praise for the help that has been given to places such as Batticaloa that were victims of the terrible disaster. We should place on record our thanks to all those involved, whether they are civilians, work in Departments other than the MOD, are on ships such as RFA Diligence and HMS Chatham or whether they are helicopter pilots, for whatever they have done to save lives and to help make at least some lives better after the terrible tragedy.

Mr. Deputy Speaker: As a significant number of hon. Members are still seeking to catch my eye, Mr. Speaker has decided that the order of the House of 26 October on shorter speeches will apply today. From now until half-past 5, a shorter 10-minute time limit will apply. I remind hon. Members that no added time is allowed for interventions during a period of shorter speeches.

4.33 pm

Mr. John Wilkinson (Ruislip-Northwood) (Con): The armed forces reflect the esteem of the people for their way of life and the commitment of a nation to the defence of its values and culture. Any Government who neglected the interests of the armed forces and those who serve in them would demonstrate a lack of care for the way of life that the people themselves hold dear.

The subject is important, and it is sad that the Secretary of State could not be present, particularly because our armed forces have served with exceptional distinction in Iraq, where they have taken so many casualties. Soldiers have been killed and, as we have learned, wounded in very large numbers. As was said, we should also remember the sterling help given by our armed forces to the victims of the tsunami tragedy in Sri Lanka and elsewhere.

I want to address two practical themes and a further, more strategic one. Apart from the exploits of the British Army in Iraq, there has also been some unfortunate publicity. In addition, particularly unfortunate publicity was given to the suicide last year of four recruits at the Royal Logistic Corps training centre at Deepcut barracks. One theme unites both these episodes: that the discipline of our armed forces must be absolutely fundamental. We do not emphasise sufficiently in our debates the need for our armed forces to retain the very highest standards of discipline. When things go wrong, it is not the soldiers, airmen or sailors who are so much to blame: it is the officers who should carry the can and demonstrate a sense of responsibility, care and concern for those in their command, and a sense of leadership.

Officers will have those attributes only if they are properly trained, and training is the second of my practical themes. For officers, the training process these days has become too much of a sausage machine. Let us consider other armed forces of great distinction, such as those of the United States. The West Point army academy, the Colorado Springs air force academy, and Annapolis naval academy have four-year courses. Other armed forces of leading nations are not taking our path, which is to cut the length of training for officers in the early stages. That is a wrong-headed economy, which does not give the necessary basic training or the required sense of commitment, duty and above all discipline. Shortfalls in basic training and in the induction process have to be made up in the units themselves, which reduces their operational efficiency.

It has been complained that the Territorial Army, which constitutes some 20 per cent. of the British Army in Iraq, has gone into theatre with inadequate weapons training. That is absolutely inexcusable, and it re-emphasises the point that there can be no shortcuts in training. Of course, the TA's performance in theatre has been admirable and everyone has rightly praised it, just as they have praised the performance of the Royal Naval Reserve and in particular of the Royal Auxiliary Air Force's 600 City of London Squadron. The squadron, which is celebrating its 80th anniversary, is based at RAF Northolt in my constituency. The reserves have an enormous part to play in the future of our armed forces, but they need adequate training and the support of the regular element. Over time, we should pay more attention to the reserves, and the Conservatives will. Indeed, such a policy is at the heart of one of our main proposals for the future of our defence.

The strategic theme on which I want to touch is not the growing power of China. In that regard, I was interested to hear the observations of the former Minister, the hon. Member for Newcastle upon Tyne, North (Mr. Henderson), which exemplified one thing—that we live in a greatly changing world—but the disposition of our forces does not reflect the fact. It is an anachronism that the largest single element of our Army should be deployed in Germany. Of course, we have forces elsewhere, too. We have more or less 1,000 troops in Kosovo, some 1,000 in Bosnia and Herzegovina, approximately 1,000 in the Falklands and a further 1,000 in Gibraltar. There are 3,500 troops in Cyprus, some 1,000 in Brunei and just under 1,000 in Afghanistan. But do we need 21,250 in Germany, at bases that are left over from the cold war?

The Allied Command Europe Rapid Reaction Corps, of course, is dependent on the British, as we are the framework nation and provide 60 per cent. of the headquarters personnel. I wonder, however, about keeping an armoured division, with three armoured brigades based at cold war garrisons such as Hohne, Osnabrück, Münster, Paderborn, Gütersloh, Sennelager and Falingbostel—names that will be familiar to cold war warriors such as me. Does that reflect today's reality, now that the Warsaw pact is disbanded, and NATO has expanded to encompasses the Baltic states, the Czech Republic, Slovakia and Poland? There is a buffer zone between western Europe and the east, and there is even a clear divergence of attitude between our German friends and us—the Germans sought to prevent Turkey from having Patriot missiles for its air defence before the Gulf war, and the Germans, French, Belgians and Luxembourgers had their own Defence Ministers meeting in the spring last year to try to pursue a slightly different strategy.

We ought to try to evolve a new strategy to pay much more attention than we do to expeditionary warfare. We are moving in the right direction, and the various reviews have embraced that idea. In practical terms,

[Mr. John Wilkinson]

however, a great deal more needs to be done. The Government have announced the provision of a new C-17 heavy air-lifter to take personnel to trouble spots overseas, but we have only four others, although the amphibious forces and the Royal Marines are the best of their kind in the world today, and I wholeheartedly applaud Her Majesty's Government's attention to amphibious capability. Nevertheless, the British presence in Germany, which, I think, costs about £1.2 billion per year—perhaps the Minister will correct me on that—is an anachronism, and should be reviewed. There is no need to keep our forces stationed in Germany for them to participate in the ARRC.

I was interested to note, too, that Her Majesty's Government, and certainly the Minister of State in his speech, made no mention of the European security and defence policy, and the commitment, to which we are signing up under the European constitution that the Government embrace, to be ready to participate in the deployment of an army corps up to 4,000 km from Brussels, and to keep it in theatre for up to a year. Those are big commitments of an expeditionary kind, and I do not yet see that our armed forces have been modified sufficiently in that direction. I find it perverse that the main instrument for projective power, the Royal Air Force, should be the one sustaining the biggest cuts in the review being imposed by Her Majesty's Government.

We should spend our money more at home, deploying our forces from home bases, using instruments of power projection such as amphibious vessels and an enhanced air transport fleet. In that way, our armed forces would be better configured, particularly if they had larger reserves. I know that my party is working on many of those ideas, particularly in the field of deployment and reserves, but the stationing of such a large proportion of our Army in Germany, particularly western Germany, is questionable at the present time.

4.43 pm

Annabelle Ewing (Perth) (SNP): As the MP for Perth, where the Black Watch has its regimental headquarters, I know that my constituents would wish me to make several points on their behalf today. I am therefore very pleased to have been given the opportunity to do so. This is the first time since the Defence Secretary wielded his axe to scrap the entire Scottish regimental system, further to his announcement on 16 December last year, that the House has had the opportunity to debate the matter more fully. It is just a pity that the Government have not had the courage of their convictions and allowed a vote, because if we were allowed a vote on this shameful decision, it would be interesting to see which Labour Members would be prepared to stand up and be counted to save the Scottish regiments. I fear very few indeed, if any.

That contrasts with the position of the Scottish Parliament, which had a vote on the same day as the Defence Secretary made his announcement. At present, the Scottish Parliament does not enjoy power and jurisdiction in this matter, but the House may be interested to learn that, none the less, it voted against the decision by the UK Government to scrap Scotland's regimental system, which was a rare defeat for the Labour-Liberal Scottish Executive. Since the Defence Secretary made his announcement in December, I have been inundated with messages of support for my stance on the Black Watch, the Argylls and the other Scottish regiments from my constituents, people the length and breadth of Scotland and, indeed, people throughout the United Kingdom and further afield.

That support was clearly in evidence at the "Save the Scottish Regiments" rally in Edinburgh on 18 December, when veterans, retired officers, the families of serving soldiers—the Minister of State rightly recognised that their interests are important—and members of affected communities marched proudly down Princes street. Serving soldiers even came along, but they could not wear their uniforms because they were expressly ordered not to do so. The people of Edinburgh lined the streets to support the campaign and applaud the Scottish soldiers. I was proud to march alongside them and to speak at the rally, along with my hon. Friend the Member for North Tayside (Pete Wishart). While speakers from all parties came to the rally, not one Scottish Labour MP bothered to turn up or to stand up and be counted. I suspect that that will not go unnoticed and will not be forgotten or forgiven as we approach the UK general election, which is widely predicted to be held in May.

Mr. Eric Joyce (Falkirk, West) (Lab) *rose—*

Annabelle Ewing: The people of Scotland regard our brave soldiers as part of the fabric of the Scottish nation. They are proud of them and disgusted by the Government's decision to disband and amalgamate the Scottish regiments out of existence. Their disgust is even greater, given the fact that the announcement was made by the Defence Secretary just as soldiers from the Black Watch were returning home to their families in Perthshire, Fife, Dundee and Angus.

Mr. Joyce *rose—*

Annabelle Ewing: They had just served their second tour of duty within a year in Iraq, had been involved in the controversial deployment to northern Iraq and had sustained the loss of their comrades in arms.

Mr. Joyce: On a point of order, Mr. Deputy Speaker. Is it not customary for a Member making a speech at least to indicate to someone who asks them to give way that they will not do so?

Mr. Deputy Speaker: Whether the Member addressing the House gives way is entirely a matter for her. If the hon. Gentleman had been in the Chamber early on, he might have realised how short of time we are, which is probably why the hon. Lady is not giving way.

Annabelle Ewing: Thank you, Mr. Deputy Speaker.

On the timing of the Defence Secretary's announcement, not only were soldiers from the Black Watch returning home after their second tour of duty in Iraq and a controversial redeployment but they had sustained the loss of their comrades. They had also been required to take part in a publicity shoot with the

Defence Secretary, who visited them when they were safely back in Basra—he did not quite make it to Camp Dogwood. It is no wonder that there is anger not just in the traditional recruiting heartlands of the Black Watch but the length and breadth of Scotland.

People believe that the Black Watch, the Argylls and the other Scottish Regiments have been stabbed in the back. They do not accept that it is either sensible or logical to axe the Scottish regiments at a time of increasing international insecurity and military overstretch, about which we have heard much today. They rightly regard the Scottish regiments as the finest in the world, and the bravery, professionalism and commitment of our Scottish soldiers are second to none. It is cynical in the extreme, they believe, that the Government should, on the one hand, put a cap on recruitment—I think that we are supposed to call it a pause in light of what the Minister of State said in response to my intervention—while talking up recruitment difficulties, even though the Black Watch, to name but one regiment, exceeded its recruitment target. They consider the arms plot argument a red herring, because nobody has ever explained why scrapping the entire Scottish regimental system is necessary to phase out the arms plot.

What is clear to people in my constituency and elsewhere is that this was a political decision, although the Government tried in an unseemly way to pass the buck to the Army. It is also clear to people in Scotland that the decision was Treasury-driven and that the impetus came from the Chancellor. That was recognised by no less than Colonel Tim Collins. In a BBC interview of November 2004, he said:

"These reductions are about saving money for the Treasury. It is not about making the army better and it is not about fixing something that is broken."

We have heard much from the Government about operational efficiency and the need to improve it, but the fact of the matter is that scrapping the entire Scottish regimental system will not improve operational efficiency.

Our Scottish regiments are the envy of the world, for the esprit de corps that is engendered by loyalty to the regiment first and foremost is what puts Scottish soldiers in a class of their own. That was recognised even by this Government, who took the decision to redeploy 600-odd Black Watch soldiers to the US zone in Iraq because they were indispensable to the 130,000-strong US army. What my constituents still want to know is why the Black Watch is not therefore viewed as indispensable to the Government. Indeed, in recent weeks, we have seen the return of the Royal Highland Fusiliers to Iraq, with the Royal Scots held in reserve. That is another example of how indispensable our Scottish regiments are and how fit for purpose they are for doing the job that the Government have asked them to do.

Key military experts have also expressed fears about the impact on recruitment of these damaging policies. We need look back no further than the early 1990s, when the then Conservative Government launched their assault on the Scottish regiments with the amalgamation of the Gordons and the Queen's Own Highlanders, to see the devastating impact of such changes on recruitment for many years.

We have heard much about the Government's claims that serving Scottish soldiers favour the scrapping of their regiments, but they were not asked how they felt. The only poll conducted by the Ministry of Defence apparently did not even include that question. Instead, there was a Hobson's choice question about which kind of amalgamation they would prefer. Curiously, the results of that poll were not published by the MOD, as far as I am aware. Given that the soldiers have also been gagged to stop them speaking out, it is difficult to understand how the Government can state that they have evidence to show support among serving soldiers for the decision to scrap the regiments. I have received many letters from serving soldiers not only in the Black Watch, but in other regiments, and I can assure the Minister that none of them wishes to see their regiment scrapped.

In conclusion, the decision taken by the Government to scrap Scotland's entire regimental system is not only wrong, but a betrayal of our brave soldiers. It will never be forgiven or forgotten by the people of Scotland. Even at this late hour, the Government could do a U-turn. They have done so on other issues, and they could give the regiments a reprieve. That view is supported by the Adjutant-General, no less, and by the current colonel of the Black Watch. I urge the Government to think again. If they do not do so, they will deserve all that they get at the ballot box when the people of Scotland have the opportunity to say what they think.

4.53 pm

Mr. Mike Hancock (Portsmouth, South) (LD): I am delighted that the Minister of State is back in the Chamber. I thought earlier that it was rather silly and slightly pompous of him to take the attitude that my failure to be present in the Select Committee on Defence when he was giving evidence was a basis for not taking an intervention from me. If the Secretary of State exercised such criteria, several Labour members of the Committee would be in serious trouble in future defence debates.

Had the Minister taken my intervention, I would have asked him the question that I now hope the Under-Secretary will answer. Now that we have agreed the configuration for the infantry regiments, can the Ministry of Defence give us a timing for when those decisions will be implemented? When will the full capability now being talked about be deployable? On commitments, what tasks was the Secretary of State alluding to when he said that they would no longer be on the agenda of the Royal Navy? When he was pressed to answer that question at the Defence Committee, regrettably he chose not to. Several hon. Members were concerned that he had stated on two occasions that a number of cold war tasks would no longer need to be tackled by the Navy and could be covered in other ways, possibly by other navies. He was not prepared to give straight answers to questions about timing for the Army or the commitments of the Navy.

All hon. Members who have spoken have been extraordinarily complimentary, and rightly so, about the men and women who serve in our armed forces, from the very top to the most junior recruits. We have heard testimony after testimony of the work that they are doing in their fighting capacity and in delivering humanitarian aid, which has been so apparent not only in recent weeks in Indonesia, Sri Lanka and elsewhere, but repeatedly across the world. We should recognise that and be proud of it.

[Mr. Mike Hancock]

We must recognise that discipline is crucial to a coherent fighting force. It must be present at all levels and there must be confidence that it will be exercised fairly and accountably. The Defence Committee is engaged in a duty of care exercise. If Ministers have not yet read the testimony of families from Catterick and Deepcut who came to give evidence, I urge them to do so. If I had been present at that evidence session, I would have asked the Minister for the Armed Forces why he felt compelled to set up the inquiry into Deepcut at that stage, when the evidence that he is now asking the inquiry to examine had been in his hands for several months before that decision was taken. The decision to hold the inquiry was taken because the Ministry of Defence, or the politicians who head it, was shamed into it by the sort of evidence that we heard in the Select Committee when those families came, and by the media exposure of the incompetence and the failure of Ministers to tackle the issue properly.

The issue is where the duty of care starts and finishes. Many reports were written. We were given evidence by Lieutenant Colonel Hais, who gave the last report on the problems relating to training and recruitment. When he started the process, he was not told that there had been previous reports. When asked where those reports had ended up, he could give no answer. When senior officers came to give evidence to us, we asked them the same question. None of them has so far given an answer. The Defence Committee is still awaiting a written reply from the Ministry of Defence about where those three or four reports on problems at Deepcut and on bullying in the Army ended up and who took responsibility for them.

If there is to be discipline, it should start at the top. Discipline and a duty of care should be exercised from the top downwards. It is beyond belief that for years the MOD was in a state of denial and thought the problems would go away. That was the failure that so depressed the families. *[Interruption.]* I can understand the Minister for the Armed Forces muttering under his breath that he does not want to hear it. He did not want to hear the intervention earlier. He did not want to hear what the parents of the dead soldiers had been saying— *[Interruption.]*

Mr. Deputy Speaker: Order. The Minister must not keep chuntering. It is very disruptive of the debate.

Mr. Hancock: Thank you for that intervention, Mr. Deputy Speaker. This shows that Ministers are extraordinarily guilty about the way in which they have let these people down. They are as responsible as any non-commissioned officer or senior officer in the Army for exercising a duty of care to these young men and women and their families.

The Geneva convention, which was mentioned by the hon. Member for Gosport (Mr. Viggers), does not cover many of the situations in which we now find ourselves. We do not know if a prisoner of war is a genuine combatant of the country with which one is at war, an insurgent, a common criminal, or a terrorist engaged in fighting not for a country but for an abstract issue that is not directly part of the war. That blurring of responsibilities makes it difficult for soldiers on the ground to decide who is covered by what. The prevailing situation should always be governed by how we would want and expect to be treated ourselves in a similar position. I hope that that message goes out loud and clear.

I urge the Ministry of Defence to reconsider some of the issues that it has so far identified as being at the top of its list—for example, the replacement for HMS Diligence, a ship that has served this nation well and offered a capability that will be lost when she goes out of commission in 2006. When that issue was raised by at least three hon. Members at a recent meeting of the Select Committee, the Secretary of State said, "We've moved on from replacing like with like, ship for ship." But this ship is a unique facility that is being got rid of with no way of replacing it. The Government should seriously consider the way in which it has operated over the past two years in making a significant contribution to the maritime aid and defence of the soldiers and civilians whom we want to assist.

On the capability of the Royal Air Force, the hon. Member for Vale of Glamorgan (Mr. Smith) spoke with passion about his concerns for the work force at St. Athan. No satisfactory answer has been given to the question of why this is being done. What will happen to that multi-million pound facility? It is a similar situation to that of the military hospital in Haslar, which was mentioned by the hon. Member for Gosport. The facilities were updated at the same time as the Government were considering closing it. The same thing has happened at St. Athan.

As always in these debates, Members have to balance what they say in defending the armed forces and the great work that they do and in spelling out the problems as we see them. Ministers might feel that some criticisms are unfair, but they are not listening to the men and women who work and serve in our armed forces if they ignore many of the concerns that have been expressed here this afternoon. Armed forces personnel care about how their families are treated. I urge the Minister to think long and hard about this question: when does he genuinely believe that he properly exercised his duty of care to the parents of those children who died at Deepcut and Catterick? It is about time that we had more than a face-saving device and undertook a proper public inquiry.

5.3 pm

Mr. David Cameron (Witney) (Con): I have not participated in an armed forces personnel debate before, and having listened to the speeches I rather feel that I have been missing out. We heard powerful contributions from the hon. Member for Vale of Glamorgan (Mr. Smith), who spoke in defence of contracting out and privatisation—one does not often hear that from a Labour Member—and from the Father of the House, the hon. Member for Linlithgow (Mr. Dalyell), who talked about Gulf war syndrome. I particularly enjoyed the speech by my hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson), who spoke with great wisdom and knowledge about the dangers of cuts to the RAF. I entirely agree with him. I am afraid that my own contribution will be much more mundane and prosaic, concentrating on a couple of issues that particularly matter to forces families in my constituency.

I apologise to the Minister for missing his opening speech. I am particularly sorry because I know that he visited RAF Brize Norton in my constituency this week. I want to take this opportunity—as, I am sure, would he—to put on the record how much we value all the work done by the armed forces and other personnel at RAF Brize Norton, not just their support for forces overseas but the help they have given with the tsunami appeal and other such things. All hon. Members say how much we value our armed forces, so it is important for us to turn words into action. The forces do so much work for us and there is much more that we should do for them.

As I have said, RAF Brize Norton in my constituency is one of the largest and most important air bases, and it is becoming more important as staff will be relocated from Lyneham to Brize Norton. When I went there recently, planes and personnel were in Iraq, Afghanistan, the Balkans, Ivory Coast and elsewhere. As the Minister will know, the base has a huge range of facilities. It has a fleet of VC10s, TriStars and C-17s, and there is the future strategic tanker aircraft to come. It includes the parachute training school, the tactical communications wing and two auxiliary squadrons supporting the RAF on the ground, as well as a number of lodge units.

Brize Norton is the funnel to convey men and materiel out of the country to wherever they are being deployed. As our role grows, as we do more, as we do what my predecessor Lord Hurd described as punching above our weight in the world, it is important for Brize Norton to have all the facilities that it needs. My point is simple: Brize Norton is becoming a super-base. It is becoming more like a Catterick or a Colchester than what it has been in the past. We must ensure that it has the facilities that go with that status, and that we treat the people who work there well. We should also look at the facilities in the neighbouring town of Carterton.

Many are far more expert than me when it comes to procurement and equipment, but there are real concerns in the RAF, often relayed to me, about whether our forces will have the planes that are necessary for them to do what is required of them. The issue is continuity of equipment—people are worried about gaps between the decommissioning of one set of equipment and the commissioning of a new set. Everyone says, and I am sure it is true, that mobility and flexibility of forces are what will matter in the future. At the heart of that lie heavy lift and refuelling, which are very much what Brize Norton is all about.

We clearly need to replace the Hercules fleet, but the A400M has not yet been built and many believe that there is no chance of its arriving on time. We also need to replace the VC10s, which are extremely old, but the future strategic tanker aircraft contract is huge and complicated and it will be difficult to deliver. I would like the Minister to tell us whether the Government are confident that continuity of equipment can be achieved. I would also like to know whether the Government have a plan B lest any of those things do not come to fruition at the intended time. As I have said, refuelling and heavy lift are essential and are at the heart of what happens at Brize Norton. I look forward to hearing what the Minister has to say.

I want to say something about schools and housing. Almost exactly a year ago, I secured an Adjournment debate on forces schools. A vital issue of concern to armed forces personnel is the level of education that their children are getting and whether the schools are adequate for the job. As the Minister knows, there are two types of forces schools. There are those run by Service Children's Education, which are very successful. If SCE were a local education authority, it would be one of the top performers in the country. Then there are normal schools which are part of LEAs, but admit a large number of forces children. I want to talk about the second type.

In my constituency there are five primary schools in Carterton containing a large number of forces children. I am visiting one, St. John's, tomorrow. There is also Carterton community college. The key issue is what is known as turbulence, or turnover. At some of these schools the number of children arriving and leaving within a year can be as high as 75 per cent. At Gateway school in Carterton, which I visited recently, the turnover is 45 per cent.

It does not require rocket science to work out that such a high turnover leads to problems. There is a problem with continuity of teaching, and extra report writing obviously imposes additional costs. There is the problem of integrating new children, particularly those with special educational needs, in a new school. There is a series of issues for Ofsted, which does not always understand the pressures faced by forces schools. There is also the fact that these are forces families, not just any families. Given the situation in Iraq, among others, counselling services—even bereavement counselling—are required. It should be borne in mind that while a man or a woman is away in theatres of action, the family left behind becomes a single-parent family, with all the pressures and problems that that entails.

In my Adjournment debate, the then Minister for School Standards, the hon. Member for South Shields (Mr. Miliband), said:

"In response to concerns that were raised, the SCE and the Department are working together to develop the National Association for State Schools for Service Children's Education into an organisation that operates more formally than at present. We hope that it will be an effective organisation representing schools with service children nationally and commenting on policy matters. The schools contacted so far have expressed support for the proposal."—[*Official Report*, 7 January 2004; Vol. 416, c.100WH.]

He went on to explain that a national conference was anticipated later in the year. That was all very positive stuff. My question for the Minister today is: what happened next? From what I have discovered, the answer seems to be not much.

I have here a letter from a teacher in my constituency, who says:

"In May 2004 we set up regional meetings all around the country and invited Headteachers of schools that had service children along with LEA representatives. The issues that were facing schools were noted from these meetings. We sent a letter to the Minister at the beginning of August 2004. The letter outlined the issues and made recommendations . . . In September 2004 the DfES responded to our letter. Firstly it had not been seen by the Minister and secondly it ignored many of the issues that we raised. At the meeting we asked the DfES representative to give a copy to Charles Clark. This they agreed to do. We cancelled a meeting in November because there had been no response from the Minister

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and here we are in January with a change of Minister and still no response. My principal concern now is that our concerns and issues may be overlooked and that we may have to start again."

This is a serious situation for the Minister to take into account. May I suggest that MOD Ministers get in touch with their DfES colleagues and try to push this matter to the top of the appropriate Education Minister's in-tray? One of the most tangible things that we can do for service families is ensure that their children get a good education. Oxfordshire county council has put some extra money into forces schools, and it is time for the national Government to take the issue more seriously.

My final point is on housing. The Minister knows that this is a long-running saga in Carterton, and we need to resolve it. The bottom line is that the forces housing in Carterton is among the worst in the UK. The prefab homes were never meant to last this long. We now have a real opportunity to provide better homes for our forces families and a better environment for the town. Almost every services family has a story to tell about the wife arriving, seeing the forces home and bursting into tears. Yet that is where they will have to live for the next few years. Some of the buildings look, from the outside, like Soviet housing in Volgograd; we really need to do better.

There is a clear answer to be found in the knock-down and rebuild programme, but this private finance initiative scheme has been beset by delays. It has required three bodies to take action: West Oxfordshire district council is dealing with planning and planning gain; Annington Homes is involved in making land available to other bidders; and, above all, the Ministry of Defence and the Defence Housing Executive that must push the process forward. I can now give the Minister an update. West Oxfordshire district council has given outline planning permission for the scheme and costed the section 106 agreements. It has done its bit. Annington Homes has made its land available to the other bidders, Riverside and Tricon, at a transparent price. It is now up to the Ministry of Defence to move things forward. I hope that this issue will get to the top of the Minister's in-tray. It really would make a huge difference to my constituents in Carterton.

The forces do a great job for us and we must do more for them. Overstretch in our armed forces is getting worse, time at home between missions is getting shorter and the stresses and strains on our forces families are getting more severe. We want to see action being taken and priority being given to these issues. Frankly, it is the least we can do.

5.13 pm

Tony Baldry (Banbury) (Con): It is always a pleasure to follow my neighbour, my hon. Friend the Member for Witney (Mr. Cameron). I, too, want to make some Oxfordshire-related comments.

There is clearly a tension between what Ministers in the Ministry of Defence think the armed forces should be doing and what the armed forces can do within the tight restraints of their budget. To understand this tension, we need to take a few steps back to 1997, when the present Government were elected on a manifesto promise to undertake a strategic defence review. It was intended to be the biggest review of the armed forces since the cold war. It was described in a Library briefing as

"a foreign policy-led review to re-assess the UK's national interests and likely overseas commitments in the post-Cold War strategic environment to 2015, and then to establish how the UK's Armed Forces should be structured and deployed in order to meet those interests and commitments."

In other words, it is a process to identify budget cuts.

We then had the terrorist atrocities of 11 September 2001, which changed the world landscape. Another chapter was hurriedly added to the strategic defence review: indeed, it was titled "A New Chapter" and was published in July 2002. It sought to re-examine the UK's defence in response to the challenges of international terrorism and the issues highlighted by the events of 11 September. The Defence Secretary told the House in a statement on 17 October 2002:

"Across Government, we have now been set new challenges by international terrorism. We have set in train work to re-examine our defence policy and plans in the light of the terrorist threat demonstrated by 11 September . . . As a result, we published a new chapter to the strategic defence review on 18 July. It shows that the strategic defence review's emphasis on expeditionary operations working with allies was right, but demonstrates—crucially—how best to use our forces against a different sort of enemy: one that is determined, well hidden and vastly different from the conventional forces that we might have expected to face in the past." —[*Official Report*, 17 October 2002; Vol. 390, c. 500.]

All that represented a conundrum to Ministers. On the one hand, the strategic defence review was supposed to bring significant cuts to the armed forces and the size of the defence budget. On the other, the horrific events of 11 September would lead to additional commitments that UK armed forces would need to undertake. What has happened? On 26 July last year, two years after "A New Chapter", the RAF was cut by 12,000 personnel, the Royal Navy lost 5,000 men and the Army had 5,500 troops axed. Overall, the armed forces are to be reduced by a 10th, with many ships and tanks being scrapped in what is nothing short of a political and moral betrayal.

Not only were personnel being cut, the kit was also cut. The focus on loss of equipment is especially relevant to my constituency and the MOD facilities based at Bicester and Caversfield. Ministers have been arguing that the armed forces need less kit, and that with less kit come fewer personnel. Ministers perversely claim that such cuts are being made because the UK faces a new threat and that advances in technology mean that a little kit will go a long way. That is what Ministers claim, but few have been convinced.

Let us consider, for instance, the excellent Defence Committee report late last year on the defence White Paper. It brilliantly summed up the paradox in which the Ministry of Defence finds itself. It states:

"As the post-conflict stage in Iraq has shown, a great deal more is required to achieve the objectives of an effects-based operation than advanced military technologies in the hands of numerically small forces."

In other words, a little kit does not necessarily go a long way. Armed personnel still need to be armed and properly kitted out. Despite what the Secretary of State said in his statement on "A New Chapter" about

"a different sort of enemy: one that is determined, well hidden and vastly different from conventional forces",

the response to combating the enemy is still strikingly conventional, as we are witnessing in Iraq.

The MOD facilities based in my constituency have been crucial to the ongoing operations in Iraq, as they were during the first Gulf war. There are two significant MOD operations in north Oxfordshire: the Defence Logistics Organisation and the Defence Storage and Distribution Centre. During the first days of the war in Iraq, the DSDC dispatched more than 2,700 International Organisation for Standardisation containers of supplies to troops. If those containers were stacked end to end, they would cover the whole length of the M40.

The DLO, the DSDC and all those who work there are crucial, and continue to be crucial, to UK operations in Iraq and elsewhere in the world. Furthermore, the DSDC was able to deploy more than twice the amount of kit in half the amount of time during the Iraq conflict in comparison with the previous Gulf war. The DSDC and all who work there are clearly demonstrating greater efficiency and effectiveness, but Ministers want their operations severely cut back. They are suggesting savings of 28 per cent.—a huge amount. If Ministers said that they wanted the equivalent cuts of 30 per cent. to social services in Oxfordshire, the community would see huge chunks of services vanish overnight.

I took a delegation last year from the DSDC in Bicester to meet the Secretary of State, who gave a commitment that any in-house bid put together at MOD Bicester would be fairly considered against bids from just the private sector, but nothing in the defence White Paper or the Secretary of State's subsequent statements to the House suggest that a trading fund for defence logistics has a genuine chance. Yet there are genuine benefits in undertaking a trading fund—it could make the substantial efficiency savings that the MOD wants and preserve jobs at Bicester. Those who advocate a trading fund are confident that it can meet the 28 per cent. savings that the MOD wants.

The situation at the Defence Logistics Organisation is bleak. No job is safe. The Minister for the armed forces wrote to me at the end of last year to say that the MOD is exploring,

"best value for money for the taxpayer . . . more efficiency ways of working . . . improving the service provided".

When Ministers use words such as "efficiency" and "best value", it is often code for cuts being on the horizon.

Ministers are being coy about how significant the job cuts will be, but we know that there will be cuts and that jobs will be lost. Indeed, in the same letter the Minister made it clear:

"Based on the work done so far, we estimate we could save"—

which is synonymous with "cut" in that context—

"up to 950 posts across the DLO by changing working practices in these functions by April 2005 and at least a further 2,000 posts by 2008."

That is a large number of jobs to axe. Almost 3,000 lost jobs would wipe out the DLO at Bicester, although I accept that not all the job losses will necessarily happen in my constituency.

There is a genuine fear that almost all the jobs will be lost in and around Bicester. That is underscored by the Minister's comments about the work that the MOD is undertaking. He said that

"further work will look at options for incremental collocation, using the existing Abbey Wood site in Bristol as the hub of the MOD acquisition community, and the extent to which the DLO retains staff at other sites".

None of that is reassuring for local people that jobs are safe. Rather, it suggests that jobs may be secured at Bristol, but not at Bicester. There is a suspicion in the community that Ministers are preparing local people for a soft landing on those job losses.

In less than four months, we will know the extent of the job losses. The signs are that, overall, more jobs will be lost at Bicester than anywhere else in the country. Ministers have indicated neither how many jobs will be transferred—very few I suspect, given that Bristol already has an extensive DLO operation—nor how long it will be before the jobs are phased out. They have not said what assistance will be given to those who will definitely lose their jobs at Caversfield.

Why are not Ministers considering whether savings can be made without widespread job losses? The Defence Committee's report stated:

"We are left wondering whether the Defence White Paper is properly set in the strategic context of Britain's security circumstances, or whether it is more a reflection of what the UK has actually been doing for the last three years, and the existence of a number of legacy systems of whose continuing importance the MoD is uncertain. In other words it is far from clear whether the review process has actually been effects-led, or rather resource driven."

I suspect that it was entirely resource driven. That description can be applied to almost every aspect of the MOD since the start of the SDR, and certainly to developments at Bicester.

Much attention has rightly been paid to the bravery of our armed forces in Iraq and there is—again rightly—considerable dismay about the number of regiments that have served in Iraq and the Gulf and are now under threat. However, there are also unseen heroes, who have worked very hard for long hours, often through the night, to make sure that our troops overseas in the middle east and elsewhere are properly kitted out. They have done that without fuss, at great speed, effectively and efficiently. Many of those unseen heroes work at Bicester and Caversfield, yet their jobs are now under serious threat.

There is a long-standing convention that Ministers do not make controversial announcements around the time of a general election, so if there is to be a poll on 5 May, perhaps Ministers hope that they can delay any announcement until after the election. However, I hope that, whenever such an announcement is made, it is not sneaked out. That is the least those unseen civilian MOD staff at DLO and DSDC deserve.

5.23 pm

Mr. Roger Williams (Brecon and Radnorshire) (LD): It is a great pleasure to contribute to a defence debate—the first since I joined the armed forces parliamentary scheme. I should like to put on record my gratitude and, I am sure, that of everyone who participated in it, to those who set up such an informative, varied and educational programme, which was also enjoyable.

We went to various Army establishments throughout the UK, from basic training in Bassingbourn to visiting the most senior officers in the British Army. We were all impressed with the enthusiasm, skill and quality of the

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people whom we met and their determination to play their part in ensuring that the British Army could deliver for the nation and that peace and stability was achieved throughout the globe.

As well as visiting establishments in the UK, we also visited Brunei and Kabul. We met the Green Howards in Kabul, where it was clear that the international force of which they were a part held their peacekeeping work in high esteem. In Brunei, we met a company of Gurkhas just returned from Kabul, and we went into the jungle with them.

It is obvious that the Gurkhas will remain a potent and able element in the British Army when it comes to jungle fighting. We were overjoyed to hear that they remained untouched by the reorganisation facing other infantry battalions and regiments. One Gurkha major told me that fighting in the jungle is wet but hot, whereas fighting in arctic conditions is cold but dry. However, Sennybridge in my constituency is both cold and wet, and one needs a high level of personal organisation to survive there.

I decided to enter the parliamentary scheme to which I referred earlier because there are various important Army establishments in my constituency, and I want to say a few words about them before I move on to the fate of the Welsh regiments. Indeed, 160 Brigade Wales is based in Brecon, and I want to pay tribute to Brigadier Ian Chalerton and his predecessor, Robert Aitken, who have done so much to build bridges between military and civilians in the area. It is in the interests of both communities that the brigade should be successful.

The most important establishment locally is the Sennybridge range—the Eppynt, as we call it. The facility had a very unhappy beginning, as people had to be moved out to allow the British Army to use the 34,000 acres there for training. Local people still talk to me about the farms and homes that they left behind, but things have moved on now. The facility's contribution to the local economy is well established, with more than 80 civilians working there. Unfortunately, they are no longer MOD civil servants, and now work for Landmarc Support Services. The TUPE reorganisation and the resulting transfer has gone moderately well, but some people are still worried about their pensions and the transfer of pension entitlement. I hope that the Minister, when he winds up, will say something about that.

I also want to pay tribute to the Eppynt site land managers. They put together a very effective scheme and at the same time maintained grazing rights for farmers in the surrounding area. They also worked to promote conservation locally, and a circular path call the Eppynt way is to be opened shortly. That will be a valued tourist facility in the area. As in other ranges maintained by the MOD, it is clear that an approach that involves people working together is achieving results.

The very important Derring Lines facility provides tactical training for junior officers and NCOs. I guess that almost every infantry NCO will have undertaken that training there at some time. A recent innovation is that 50 young cadets from Sandhurst will complete their officer training on the Sennybridge ranges rather than in Wiltshire, and I am sure that the test that they will undergo there will make them more than ready for the challenges that they will face in the Army proper. I also want to put on record my appreciation of how the company of Gurkhas permanently based there as a demonstration unit have integrated into the local community.

As the hon. Member for Vale of Glamorgan and other Welsh Members have said, there is a great deal of concern about the reorganisation of the Welsh regiments. The amalgamation might have been anticipated, and we appreciate that it did not touch the Welsh Guards. But the Royal Regiment of Wales and the Royal Welch Fusiliers feel that their ability to recruit and retain men may be affected by the new title.

Since I wrote to the Secretary of State on 12 January, he has agreed to meet a cross-party delegation of Welsh MPs, including the hon. Member for Leominster (Mr. Wiggin), who has an interest in this matter. I have no wish to belittle the contribution that has been made by the Scottish regiments, which have done more than anybody could have asked of them, but I wish to note the contribution made by the Welsh regiments. The Royal Regiment of Wales was in Iraq from April 2003 to April 2004. The Royal Welch Fusiliers were in Iraq from April 2004 to October 2004. The Welsh Guards went to Iraq in October 2004 and will be there until April 2005, and the Royal Regiment of Wales will return to Iraq in April or May 2005 until October 2005, after only 12 months back in this country. The Queen's Dragoon Guards, often known as the Welsh cavalry, have also made a significant contribution, alongside the Black Watch, in areas north of Basra.

The issue is not only about tradition and crotchety old soldiers harking back to their day. It is about the future and the ability of the British Army to recruit satisfactorily in Wales. We ask the Secretary of State to consider the case that has been put forward that the names of the Royal Welch Fusiliers and the Royal Regiment of Wales be put in front of the new name of Royal Welsh Regiment. It would do a lot of good to relationships in Wales if, when the cross-party group meets the Secretary of State, he could reward us with some good news. That would ensure that once again the British Army was able to recruit the very finest young men and women from both north and south Wales.

5.32 pm

Mr. Andrew Robathan (Blaby) (Con): An encouraging number of hon. Members have taken part in the debate. I am sure that we all accept that the attention we give to the armed forces in the House of Commons is, inevitably, intermittent. However, the job done by the British armed forces is constant and around the clock. While we are fast asleep in bed tonight, they will still be working and defending our interests on the streets of Afghanistan, Northern Ireland and Basra.

This Government have placed unprecedented demands on our armed forces while pursuing a combination of policies that will weaken the traditions and capabilities on which the worldwide reputation of British soldiers and our armed forces is based. That reputation is sadly threatened at present by what I consider to be disgraceful and hysterical media coverage of one court martial in Germany. Of course, we are all shocked by the photographs that we have seen in the

press of what happened at Camp Breadbasket, and the behaviour shown is absolutely unacceptable. However, three soldiers have been brought before a court martial—

Madam Deputy Speaker (Sylvia Heal): Order. I remind the hon. Gentleman of the points made by Mr. Speaker at the start of this debate. There can be no reference to the individual cases.

Mr. Robathan: I have no intention of commenting on the individual cases, Madam Deputy Speaker, except to say that the disciplinary processes of the British Army have brought those soldiers there and we await the outcome and the verdict of the court martial. Those young men are innocent until proven guilty and that is why I think that the media coverage has been disgraceful and hysterical.

I was the chief of staff for the prisoner of war guard force in the first Gulf war, when the circumstances were very different. The problem we had with soldiers then was the fear that they would not be tough enough with the prisoners of war. We were worried that the guards might be overwhelmed if there was any form of rebellion, because they showed far too much sympathy for the prisoners of war, who had of course been fighting us only a few days earlier.

Today we debate this Government's policies on armed forces personnel. As Members of Parliament we have a duty to say what we believe to be right in the interests of our country and of our servicemen and women. We have a duty to question Government policies that are self-evidently not working. The Government have eroded public trust in their policy on Iraq and led people to distrust their intentions for our armed forces.

Before I proceed, I want to cover some of the points raised in the debate. Given the time restraints, I cannot comment on all the speeches. The Minister of State, as ever, made a robust speech. He took a few interventions. However, any speech lasting more than 30 minutes, plus a bit of time for interventions is rather long, and the Minister went on for 51 minutes. Perhaps he could raise the matter in his private office and ask his speechwriters to be a little more concise and less verbose.

The hon. Member for South-East Cornwall (Mr. Breed) made an important point about electoral registration to which I want to return. The hon. Member for Vale of Glamorgan (Mr. Smith) created some confusion on both sides of House about the history of regiments at Rorke's Drift. My son, who is 8, has a video of "Zulu"; I shall re-watch it and lend it to the hon. Gentleman.

The hon. Gentleman made a much more important point when he talked about the £80 million hangar being built at St. Athan. The Minister has been talking about waste; we can identify £80 million of waste at St. Athan.

My hon. Friend the Member for Gosport (Mr. Viggers) made an excellent point about the lack of depth in the reserve, which was echoed by my hon. Friend the Member for Ruislip-Northwood (Mr. Wilkinson). I want my hon. Friend the Member for Witney (Mr. Cameron) to know that I used to take parachute and free-fall courses at Brize Norton—*[Interruption]*—a long time ago. I know that Carterton has next to no facilities and that the armed forces housing is dreadful, so I was appalled to discover that it had not been renewed over the 20 years since I was last there.

I turn to the disgraceful cuts in the armed forces. The Government pretend that their manpower cuts are sensible, reasoned stages in an inexorable process towards a high-tech, 21st-century defence policy. Absolute rubbish. The manpower implications chapter of last summer's "Future Capabilities" White Paper airily begins:

"Transforming and restructuring the armed forces to meet the challenges of the 21st century will inevitably lead to reductions in manpower."

Why is it inevitable? The document certainly does not go on to say so. I remind Ministers that the USA is currently increasing the number in its Army by more than 20,000 because it realises the needs for boots on the ground. Those "reductions" are, and always will be, cuts. They have taken place against a backdrop of undermanning in the armed forces and of hugely increased international commitments in a time of conflict. Technology cannot replace real men and women on the ground.

Advances in technology have permitted the Royal Navy to reduce the size of crews on its ships, but I want to give the House the comments of the First Sea Lord on that score. He said:

"We are no longer able to drive those numbers down as much as we want to in our ships and our platforms because we need sentries, we need people to go on board and search ships, we need to leave, for want of a better word, prize crews on board . . . All of this adds to the numbers."

Personnel cuts mean that the fewer remaining sailors are required to spend more time at sea, which places increasing strains on their family life, making it increasingly difficult to stem the haemorrhaging of skilled personnel from the naval service.

The latest naval manning agency report reveals that the Royal Navy has a current personnel deficit of 6 per cent. It speaks of a

"failure to retain highly trained and capable sailors"

and says that the Royal Navy faces

"a total trained strength deficit for the foreseeable future".

That is before the current planned cuts of 1,500 personnel from the Navy's ranks.

As Lord Craig pointed out on Monday, we sent more ships to the Falklands in 1982 than we currently have left in the whole Royal Navy. The crews of HMS Chatham and HMS Diligence, who have been doing excellent work in Sri Lanka following the tsunami, know well that our traditional ability to give humanitarian assistance will be impaired by the fate of ships such as Diligence, our only forward repair ship, which is shortly destined to sail quietly into the pages of history when it is decommissioned in 2006. It will be followed shortly afterwards by six frigates and destroyers and many other ships.

In the Royal Air Force, 7,500 personnel are being axed, with all the implications for pilots, as well as boots on the ground—sentries and so on—and greater pressure on those who remain. My hon. Friend the Member for Aldershot (Mr. Howarth) described that as a hollowing out of the RAF.

[Mr. Robathan]

Although the cuts in the infantry battalions at a time of overstretch are absolute lunacy, which has been mentioned by various Members, the Army's trained establishment will be reduced by 6,500 by 2008. How can such cuts be justified? The Government are asking our forces to do more with fewer personnel—soldiering on the cheap. As Lord Guthrie warned only on Monday in the other place,

"the Army will . . . be too small for what the Government expect it to do."—[*Official Report, House of Lords*, 17 January 2005; Vol. 668, c. 564.]

The Government's tour interval target for overseas deployment is still 24 months, but we heard last week that the Royal Highland Fusiliers are deploying back to Iraq, even though they were there back in June or July, so that does not make 24 months so far as I am concerned. We must have more troops to fulfil the huge number of tasks that the Government keep piling on our troops.

I should like to turn briefly to the reserves, to which a couple of my hon. Friends referred. The purpose of having reserves and reservists in all three services is so obvious that it should not need spelling out, but the men and women of our reserve forces currently provide 20 per cent. of our ground forces in Iraq. The fact that they are being used means that they are no longer in reserve. My hon. Friend the Member for Gosport raised this issue. Let us suppose that the current situation were to escalate, that the problems in Northern Ireland were to flare up again—as the Minister will know, that is very possible—and that there was some unforeseen conflagration, where are the reserves in all three services that every military strategist would always say are a fundamental necessity?

The Government have made it clear that the Territorial Army will play an integral role in all our future military operations. In the light of that, what are the Government doing to enable the reserves to meet the demands placed on them? Members of the TA have been sacked from their civilian jobs while they have been serving in Iraq. How can the Government expect members of the TA to join and serve overseas if they have to worry that they will be unable to support themselves and their families when they return home? Furthermore, from speaking to members of the TA, I am told that officers and non-commissioned officers in particular are unwilling to remain in the TA, especially when they have done one tour in Iraq, because their reserve service threatens their civilian careers.

Almost 140,000 service voters were registered in England and Wales in 2002, but the following year that figure had fallen by 65 per cent. to 49,000—similar falls have taken place across the country—as a result of the Representation of the People Act 2000. In a response to the hon. Member for South-East Cornwall, the Under-Secretary said that the situation was not as bad as it seemed. I hope that he will address that issue when he stands up to speak in a minute or two, because we owe it to those who are risking their lives for this country to ensure that every effort is made so that they have the opportunity to exercise their democratic rights and, indeed, to comment on the Government's policies.

Will the Under-Secretary give a commitment that all members of the armed forces at home and abroad will be given the opportunity to register themselves and their families in time for a May general election? It is not good enough to witter on about Defence Council instructions, of which there are thousands each year. A simple instruction, perhaps a DCI, needs to go down the chain of command that every soldier, sailor and airman is to be given a service voter registration form within the next month. When the Under-Secretary rises to defend himself on this matter, I hope that he will tell us that that will happen. Incidentally, he wants to try to visit the MOD website, where it is almost impossible to find out how servicemen might register to vote.

Finally, I should like to turn to the operation in Iraq—where we are, of course, the junior partner—and to echo the words of my hon. Friend the Member for Mid-Norfolk (Mr. Simpson). *The Daily Telegraph* reports today that the Government are trying to get President Bush to produce a timetable for withdrawal from Iraq. That is very sensible. We must ask what is our long-term strategy in Iraq. How long will it go on?

As someone who used to write essays on this at staff college, I should like to ask why we have ignored the lessons that we learned so painfully over the years in Malaya, Northern Ireland and elsewhere. In particular, why have we ignored the lessons on counter-insurgency that were summed up by Sir Robert Thompson's five principles following Malaya? Those basic principles should be followed even though the operation is American-led, but they have not been followed.

If the operation is part of a war on terror in which we are a junior partner, what is the long-term strategy for the war and what are the next steps? Will we broaden the war to other countries, whether they are referred to as outposts of terrorism or instability? Will the Under-Secretary tell the House the road down which we are proceeding? The armed forces, hon. Members and the general public want to know exactly the long-term aim of the Government's policy on the war on terror and Iraq.

5.45 pm

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): May I say how much I have enjoyed our debate on personnel? We have heard 12 Back-Bench contributions. The hon. Member for Gosport (Mr. Viggers) inevitably mentioned Haslar, and the hon. Member for Ryedale (Mr. Greenway) talked about the Yorkshire regiments. I shall come back to the speech made by the hon. Member for Ruislip-Northwood (Mr. Wilkinson) later. We heard from the hon. Members for Perth (Annabelle Ewing), for Portsmouth, South (Mr. Hancock) and for Banbury (Tony Baldry). We also heard what one might call new contributions from the hon. Members for Witney (Mr. Cameron) and for Brecon and Radnorshire (Mr. Williams), who are both welcome in joining what has become a rather exclusive club of hon. Members who speak in defence debates.

May I also say how much I enjoyed the speeches made by my hon. Friends the Members for Newcastle upon Tyne, North (Mr. Henderson), for Linlithgow (Mr. Dalyell)—I shall return to his speech later—and for Ilford, South (Mike Gapes)? My hon. Friend the Member for Vale of Glamorgan (Mr. Smith) was inevitably in the Chamber, as he always is for such debates.

I want to try to answer several of the questions put to me by the hon. Member for Mid-Norfolk (Mr. Simpson), although I hope he will accept that I cannot possibly answer them all in the time available. I begin by welcoming his comments on behalf of the official Opposition about how the Secretary of State, the Minister of State and I regard the troops who have been injured. Like both my right hon. Friends, I always make seeing troops who are recuperating from injuries a key priority of any visit to Catterick, Cyprus or anywhere else.

This week's press has been thoroughly misleading, so I want to clarify the situation for the House. The latest available figures show that 790 service personnel have been evacuated from Iraq, but that number includes the full range of injuries from relatively minor shrapnel wounds and sprained ankles through to broken limbs and more serious injuries caused by enemy action. It is worth noting that some injuries resulted from road traffic accidents and sport. Our priority is for our personnel to make the speediest possible recovery, and I am glad that all parties have recognised that important fact this afternoon.

The hon. Member for Mid-Norfolk asked a general question about investigations. Our troops in Iraq continue to perform outstandingly, but they are not above the law. It remains Ministry of Defence policy to scrutinise for evidence of criminal wrongdoing every instance when the actions of British service personnel might have led directly to the death or injury of Iraqi civilians. As at 6 December 2004, the number of investigations into such incidents that had been launched by service police since the start of the conflict stood at 160. The majority of those cases involved incidents in which United Kingdom forces had returned fire after being attacked. Only 19 cases related to alleged incidents involving Iraqis in British military custody, and only seven of those 19 contain any evidence of deliberate abuse. Let me say again that more than 65,000 service personnel have served in Iraq, yet only 36 have been reported for offences in connection with specific incidents by the service police, and only seven have so far been charged.

I hope that it will be helpful if I make a series of updates on personnel issues. I shall start by updating the House on operational effective military discipline and service law, and the new Bill to which I referred in our previous personnel debate.

As hon. Members know, we have been working for some time on modernising and harmonising the separate systems of service law governing our three services. Subject to parliamentary time being available, we intend to introduce legislation in the next Session to create, in place of the present three systems, which are sometimes different, a single system of service law that will better serve the armed forces in the years ahead as they increasingly train and operate together. In advance of that, the Defence Committee is currently examining our proposals, and I am grateful for its constructive interest—indeed, I shall appear before it next month.

Discipline is at the heart of service law. The authority of the chain of command depends on powers to enforce discipline to ensure the fighting effectiveness of those under command, and to be effective that authority must apply equally at all times and wherever forces are serving. It is of the utmost importance therefore that the services have a system of law that is fair, expeditious and consistent and that is subject to appropriate safeguards in order to protect the rights of service personnel. That is what we will seek to introduce in the next armed forces Bill.

We are also investing in technology with a new military personnel management modernisation programme, the joint personnel administration. The programme will introduce simplified and harmonised personnel policies and processes to each service in turn during 2006.

In partnership with leading academics, we are implementing a long-term scientific study to develop a coherent set of measures of individuals' expectations, attitudes and values and to monitor how those change over time. The study, "Measuring human capital", will get under way next month in partnership with King's college, and it should enable us in the longer term to target our resources and further develop our personnel policies to maintain satisfaction and improve retention of our people, which is an issue that many hon. Members have mentioned this afternoon.

We have embarked on a major programme to transform the management of the civilian work force. The people programme will put the MOD at the leading edge of human resources practice and maximise the civilian contribution to defence by providing modern, efficient internal human resources services. The programme will generate financial savings and will release hundreds of civilian staff as part of the reduction announced by my right hon. Friend the Secretary of State last summer.

A number of hon. Members asked about service family accommodation, which is an issue that is often raised. This year's target was to upgrade 500 properties, but we have now extended it to 2,000 properties by increasing resources, and we expect to meet that target. Of the long-term core stock of 42,000 properties, around 23,000 are currently at standard 1 and a further 18,000 are at standard 2. As hon. Members have pointed out, it does not mean that there is room for complacency, but it is progress.

The hon. Member for South-East Cornwall (Mr. Breed) raised the issue of single living accommodation. Again, we are making rapid progress. More than 1,100 bed spaces have been completed, and a further 2,100 are being designed. We expect a total of 4,000 bed spaces across several sites to be constructed very soon.

The hon. Member for Blaby (Mr. Robathan) and a number of others raised the issue of reserve forces. Hon. Members know that we recognise the important contributions that reservists and their employers make, and we intend to continue to improve the support that we provide. Together with the work that we are undertaking on integration, we are very conscious of our responsibilities to ensure that we do not endanger the commitment and dedication of our reserve forces or the tremendous support that we have received from employers. We have been working to clarify the way in which the MOD uses the reserve forces and to establish a set of aspirations that the MOD can work towards. Based on the lessons learned from Operation Telic, we are examining the optimum period of notice that we should aim to give reservists to report for mobilisation, and the frequency with which we can reasonably

[Mr. Ivor Caplin]

mobilise reservists on a compulsory basis. I expect to make further announcements on that in the House next month.

In his excellent opening speech, my right hon. Friend the Minister of State referred to the early service leavers initiative, which was instigated as part of the veterans strategy. It helps to improve resettlement for those leavers who are vulnerable to social exclusion. For those leaving with less than four years' service or those discharged administratively, there is now a mandatory unit-level brief and a one-to-one interview to assess vulnerability to social exclusion. Early service leavers are also advised on available housing assistance through the joint services housing authority organisation and SPACES—the single persons accommodation centre for the ex-services. A proper resettlement umbrella is therefore now in place, covering all service leavers.

I hope the House will agree that the veteran's lapel badge, which Members will note is worn by many of their veteran constituents, has been a tremendous success. Indeed, more than 35,000 have been dispatched since its launch last May. From 1 February, I am extending the badge's availability to second world war widows, but I want to go further still. Transition from service to civilian life is an important area of policy for the Ministry of Defence, so I am announcing that from 1 February a veteran's badge will be included as part of the leavers' packs, subject to certain conditions. I hope that that reinforces the high esteem in which the country holds, and the thanks that we owe to, those who fought 60 years ago, along with today's armed forces personnel, who do such a first-class job.

My hon. Friend the Member for Linlithgow made an outrageous attack on the work done by this Government since 1997 on Gulf veterans' illnesses. Perhaps I can refer him to the *Hansard* for Tuesday 18 January, when I responded to an Adjournment debate in Westminster Hall initiated by my hon. Friend the Member for Cunninghame, South (Mr. Donohoe). I set out then in detail the action that has been taken since 1997.

In what may have been a slip of the tongue, the hon. Member for Ruislip-Northwood referred to four suicides at Deepcut. He will of course be aware that the verdict was one suicide, with two open verdicts and one case still to be determined.

Mr. Dalyell: Will my hon. Friend give way?

Mr. Caplin: I am afraid that I cannot.

Mr. Dalyell *rose—*

Mr. Caplin: I am sorry, but I really do not have the time.

The hon. Member for South-East Cornwall mentioned continuous attitude surveys, and I can assure him that we take them very seriously. As he knows, the publication of much of such information was an initiative of the Government and the MOD.

The hon. Member for Witney (Mr. Cameron) made a very interesting point about service education; indeed, I believe that he asked a related question of the Department for Education and Skills in the House this morning.

Mr. Cameron: We did not reach it.

Mr. Caplin: I am sorry about that, and I shall certainly investigate further the hon. Gentleman's point about service education.

I had hoped that the hon. Member for Blaby would give us some detail on the Conservatives' spending plans, which have been roundly trashed in all quarters, but he chose not to do so.

Mr. Robathan *rose—*

Mr. Caplin: Interestingly, the hon. Member for Banbury talked about the Defence Logistics Organisation. If I have understood the Conservatives' review document properly, they want to merge the DLO and the Defence Procurement Agency. I do not know what that would do to the site at Bicester, which is in his constituency. The merger is meant to save £900 million, and as such contributes to the Conservatives' overall proposed defence savings. However, the two organisations are already being streamlined and reformed. They consist of essential military and civilian staff who work together very closely. Realistically, to make savings on that scale the Conservatives would be forced to make some £900 million of cuts in vital logistics and procurement. That would weaken our defence capabilities and lead to massive job cuts in British industry. It is clear that the sums have not been thought through properly—*[Interruption.]* As my right hon. Friend the Minister of State says, they are back-of-a-fag-packet calculations.

I want to make two final points. Much has been said about the tour interval and the restructuring of regiments. We take the tour interval issue very seriously. Tour intervals of less than 24 months are undesirable but have proved necessary, as the House knows. That is particularly true for some units. The ending of the arms plot and the other restructuring that we are undertaking in all three services—but particularly in the Army—over the next three years will better balance the enabled forces and help us to attain sensible and enduring tour intervals of 24 months. I hope that that answers the point made by the hon. Member for Portsmouth, South.

This is a time of considerable change and transition for the Ministry of Defence. We have in place a comprehensive and cohesive programme of change that is designed to make defence more efficient and able to meet future challenges. At the centre of these changes are our people. We owe a considerable debt to our people, and for my part, I want to pay tribute to those men and women of the armed forces currently engaged in dangerous and serious undertakings in Iraq and throughout the world. At the same time, we should also recognise the sacrifices made by families and friends, and in the case of our reserve forces, employers, who support our people in their endeavours.

Worktrack Programme

Motion made, and Question proposed, That this House do now adjourn.—*[Ms Prentice.]*

6 pm

Mr. Nigel Dodds (Belfast, North) (DUP): I welcome the opportunity to raise the proposed closure of the Worktrack programme in Northern Ireland.

In the budget for the Province announced by the Minister with responsibility for finance and personnel in late autumn last year, a major reduction in funding of Worktrack was announced for 2005–06, and no funding thereafter, which means its complete closure.

Worktrack is unique to Northern Ireland and allows people classified as long-term unemployed the opportunity to get back into full-time employment. It provides paid employment, often with commercial employers, for six months and, crucially, it targets the economically inactive, many of whom are returners to work, and those not eligible for the new deal programme.

People in my constituency who have participated in the scheme have told me about how the programme helped to restore their self-esteem and dignity and gave them a real chance to go out and once again earn a wage. It has given many people out of work for extended periods the chance to train on the job. For many, the best place to gain employment skills is in employment. Many of those participants have started paying tax and national insurance contributions once again. The programme is popular, and in my view, it was working, with 50 per cent. of participants placed in sustainable employment.

The programme is delivered in Northern Ireland by almost 20 lead providers, supported by a significant number of secondary providers throughout the Province. As I understand it, there are 27 contracts over a three-year period, representing every council area in Northern Ireland and running through to September 2006.

As a result of the announcement on the programme, more than 1,200 participants per year will be deprived of the chance to take the first step back into the labour market under the scheme. In addition, 200 permanent core jobs will be lost. The loss to the Northern Ireland economy is estimated at some £300,000 per week, which comes to half the cost of running the scheme. The loss to the social economy of Northern Ireland should also be taken into account, and the consequent loss of community resources, skills and capacity building.

I know from my experience in this area, of which the Minister will be well aware, the importance that the Government attach to building community capacity in deprived areas of Northern Ireland, especially in Belfast, and particularly in my constituency in north Belfast, where a dedicated community action unit has been set up by the Government. One of its main tasks is to build community capacity in areas where it is underdeveloped or non-existent.

The Government should be aware that the lack of consultation with providers before the decision was announced has done real damage to relations between the voluntary sector, the community and the Government. Given that there was little or no criticism of the way in which the programme was working—quite the reverse—the announcement came as a bolt out of the blue. Many people were taken by surprise at the Minister's announcement both in relation to this and the learndirect programme. The Government should explain why the decision was made with blatant disregard for the process of consultation.

In my own area, Community Aid 2000 is the Worktrack lead provider for north Belfast, east Belfast and Newtonabbey, and has 177 people on placement. Between October 2003 and November 2004, 347 people, well over half of whom were women, started on the programme. Since 1999, it has assisted 600 people back into work. The contracts held by Community Aid 2000 are used to assist people in the most difficult and challenging areas, with some of the worst deprivation and unemployment in the Province. It works with secondary partners in many of those communities. Many of those partners and other community groups have made representations to me, as they are concerned and angry about the decision to end the Worktrack programme. In addition, small businesses have been affected, and the Northern Ireland branch of the Federation of Small Businesses has expressed concern that people in Northern Ireland generally have been let down by the Government. In a press release of 16 November 2004, it says that the closure and other cuts in training schemes will have a negative impact on small businesses, which make huge investments in their infrastructure and staffing to enable them to offer a quality training provision. The federation fears that jobs will be lost because of the announcement and is worried about the fact that there was no consultation with providers before the decision. Only the other day, it relayed its concern and anger at the announcement about axing learndirect as well.

We are told that the reason for closing Worktrack is that unemployment in the Province has fallen significantly in recent years and that provisions such as the new deal and training for work will still be available for people who are unemployed or economically inactive. According to the Northern Ireland labour market statistics for August last year, however, more than 550,000 people are economically inactive, of whom 9 per cent. or 50,000 want to work but do not satisfy the availability or job search criteria to be classified as unemployed. Worktrack is the only wage-based programme to target those people. Just before Christmas, the Under-Secretary of State for Northern Ireland, the hon. Member for Brent, North (Mr. Gardiner), who has responsibility for employment and learning, said:

> "the labour market has improved substantially since the introduction of Worktrack, and in the context of the current economic climate with lower levels of employment and more job opportunities the programme was considered to have a lower priority than other competing demands."

I fully understand the problems arising from a finite budget on which there are competing demands, but I should be grateful if the Under-Secretary of State for Northern Ireland, the hon. Member for Basildon (Angela Smith) would outline those competing demands and explain what criteria were applied in assessing the allocation of resources for training and skills provision in Northern Ireland.

[Mr. Nigel Dodds]

The announcement of Worktrack's closure appears to be at variance with other aspects of Government policy. For instance, the skills strategy for Northern Ireland, which was announced just four days after the Worktrack announcement, suggests that it is Government policy to prioritise engagement with the economically inactive in Northern Ireland. The strategy says that, although unemployment is at a record low, that masks a high proportion of people who are long-term unemployed. Three out of 10 adults of working age in Northern Ireland are outside the labour market altogether and are not adding to economic productivity.

The neighbourhood renewal strategy identifies areas in Northern Ireland for special assistance, where many of Worktrack's secondary providers are already operating and where the scheme is operating very successfully. The draft economic vision report states:

"since 1998 employment levels are up, unemployment rates are down and Gross Value Added has grown steadily. Against that must be balanced the highest economic inactivity rates in the UK."

What we see emerging from the strategies and papers that the Government themselves have produced is that, while we have historically low unemployment, much of what remains is stubborn long-term unemployment, and the low unemployment tends to mask high economic inactivity and low levels of qualifications. Many of those who are unemployed or economically inactive lack skills and are at some distance from the labour market.

I find it odd—indeed, it is contrary to some of the objectives that they have set out in their strategies and papers—that the Government should be pointing to those issues, but deciding to close down a programme whose purpose is to tackle some of the underlying problems. I simply do not understand the rationale, and neither do the providers, the people who are participating in the programme or small businesses. It can only be a question of saving money, but as we have already indicated, the amount involved is relatively low, but it has produced enormous impacts in meeting the needs of people in highly deprived areas.

In the area covered by Community Aid 2000, there is no existing provision for providing an employment option to people outside jobseeker's allowance other than Worktrack. The new deal is concerned with those on the unemployment register and training for work is a benefit-plus training programme.

The fact is that Worktrack or something very similar will still be needed in Northern Ireland, and we need to know today what the Government propose to do. The Minister needs to address whether what is proposed is the right and sensible option. People who are economically inactive or on benefits other than jobseeker's allowance are being deprived of a proven and effective route back to work. Thus far, we have heard nothing from the Government apart from some vague comments about competing demands and suggestions that employment is now in relatively good shape across the Province, although Belfast, North has the third highest unemployment of any constituency in the Province. We need some more detail from the Minister about what is going to happen. There have been some hints from the Minister with responsibility for employment and learning about further and higher education programmes. Can we have more details on this matter?

As the Minister will know, there is cross-party opposition in Northern Ireland to the announcement that has been made. As far as I am aware, all the major political parties in Northern Ireland have expressed concern and opposed it. The Government should take note of that opposition. As the Minister may be aware, the Government were defeated just a few moments ago in the Northern Ireland Grand Committee on top-up variable fees in Northern Ireland. There was major cross-party opposition from Northern Ireland on that issue—all the parties expressed their opposition.

I hope that the Government will look afresh at this issue and spell out in detail what they intend to do. They cannot simply close the programme and not replace it with something similar. Why not leave in place a programme that has been effective, successful and popular, and let the providers get on with the excellent job that they have been doing?

6.14 pm

The Parliamentary Under-Secretary of State for Northern Ireland (Angela Smith): I congratulate the hon. Member for Belfast, North (Mr. Dodds) on securing the debate and on the reasoned way in which he expressed his concerns. I know that he has had correspondence with the Under-Secretary, my hon. Friend the Member for Brent, North (Mr. Gardiner), and I am sure the hon. Gentleman will appreciate the way in which my hon. Friend has dealt with the issues that cause him great concern. I put on record the apologies of my hon. Friend, who was detained on other business and is probably on his way to the Chamber.

It may be helpful if I outline the major factors and rationale for the closure of the Worktrack programme. The decision was taken against the backdrop of a significantly improving economy, with significant falls in levels of unemployment over recent years. In that economic climate and with increasing job opportunity, Worktrack was proving an expensive means of supporting and creating employment. In the future priorities of the Department for Employment and Learning, there was a change of focus towards a more targeted approach to unemployment and increasing emphasis on improving skills on an individual basis of personal support. I shall expand on that.

Worktrack was introduced in August 1999 when claimant unemployment was 6.2 per cent. Its objectives were to provide training and employment opportunities for those who were not suited to, or who were ineligible for, other labour market intervention programmes. That meant that it focussed largely, though not exclusively, as the hon. Gentleman noted, on the long-term unemployed and economically inactive. Worktrack is a temporary employment programme providing 1,000 places every 26 weeks, with the key aims of developing the skills and competencies of those engaged on the programme to help ease them back into the workplace, mainly by boosting confidence. Many who have taken part see it as a means of gaining experience of a modern workplace, new skills and work-related disciplines without the perceived high pressure of what some might term a "real" job. That is not to belittle the work that participants do on those placements.

I am fully conscious of the valuable contribution that Worktrack has made in the hon. Gentleman's constituency and elsewhere in Northern Ireland. He spoke of 50 per cent. of participants progressing to employment. The rate was not quite as good as that, but it was significant—an average of 36 per cent. of participants have progressed into employment since the introduction of the programme. That is a commendable record and one to be proud of. However, we must recognise that as circumstances change, policies must change to reflect them.

Let me summarise the main arguments. First, the Government believe that the economic context in Northern Ireland has changed significantly. The employment market is much more buoyant than in former times and there are many more opportunities to re-enter the labour market. Secondly, given the changed circumstances in respect of employment, Worktrack, costing in the region of £13,000 per job, is an expensive means of creating jobs. It is important to realise that many of the people may have been offered jobs without the support of Worktrack, although that is difficult to quantify. Thirdly, given the changed circumstances, the Government considered carefully the recommendations of the employability task force report and the research behind the skills strategy, and decided that a more targeted approach to employment barriers, including the promotion of reskilling and upskilling on an individual basis was the way forward.

We have sought to create the conditions for increasing employment in Northern Ireland, as in the rest of the UK, by promoting economic stability, developing a policy framework that incentivises both entry to and progression in work, and putting in place new arrangements to assist those who are not in work. Economic stability has brought growth and the delivery of an increasing number of job opportunities. Improving incentives through reform of the tax and benefit system and the introduction of the national minimum wage have helped to make work pay. Support for those without work through the new deal and through the rolling out of the jobs and benefits offices across Northern Ireland is providing people with the help they need to move into work. The outworking of our skills strategy and the change in approach of the Employment Service will assist further in removing or reducing barriers to work for individuals.

The economy in Northern Ireland has made significant progress. The gross value added—GVA—per head rose in real terms by 17.2 per-cent. between 1997 and 2002, the last year for which there are full figures. In the construction industry, it rose by some 70 per cent. compared with 45 per cent. in the United Kingdom, and in manufacturing by 21.5 per cent. compared with 3.8 per cent. in the United Kingdom.

It may be helpful to consider some of the information on the working-age population, which in Northern Ireland has risen by 60,000 people, or 6 per cent., since 1997. An estimated 721,000 people are in employment, the highest number on record. Unemployment has fallen from 8.1 per cent. of the work force in 1997 to 4.7 per cent. in the summer of 2004—a fall of some 26,000. Northern Ireland has experienced a greater proportional fall in unemployment than the UK as a whole. Since the introduction of the new deal in 1998, claimant unemployment has fallen by 51 per cent. to its current level of 2.7 per cent.

That is not to say that all the issues involved in employment and employability are resolved. It is one thing to talk about statistics and figures, but every single percentage hides a real story of people who are desperately looking for work. The hon. Gentleman made that case when, in speaking about his concerns on behalf of his constituency as well as wider issues in Northern Ireland, he made it clear that there are still issues to be addressed. I assure him that there is no lack of commitment from the Government and that our changes of emphasis and delivery mechanisms will ensure that people have help and support in getting back into work.

Let me deal with some of the points that the hon. Gentleman made. He mentioned low skills and qualifications. The skills strategy includes proposals to offer a free first level 2 qualification. Acquiring skills will be an important dimension of employment policy.

The hon. Gentleman suggested that other provisions such as the new deal do not deal with the same issues as Worktrack. My hon. Friend the Under-Secretary has taken that on board and is examining ways of making all the remaining provisions accessible to all, including the economically inactive. I accept that Community Aid 2000 does an excellent job, and the Department will consult it on alternative developments. It can play a role in insisting that we continue to help those in most need who are looking for work.

The hon. Gentleman expressed concern about the loss of community resources. That is not an objective for the Employment Service, and the Department for Social Development provides essential resources for community development. Having said that, the Department plans to talk to providers on an individual basis to offer practical advice and assistance on the needs of the client group that may not be assisted following the withdrawal of Worktrack. The hon. Gentleman said there was a lack of consultation, but providers were notified in time to contribute to the budget consultation process.

I hope that that deals with some of the hon. Gentleman's concerns. The strongest argument that I would put to him is that the Department is carefully and actively trying to ensure that those who would have been covered by Worktrack will be covered by the new deal and other schemes. I appreciate that the hon. Gentleman's constituency has particular problems as regards unemployment. The unemployment rate is higher in his constituency, at 4.2 per cent., than in Northern Ireland as a whole, and male unemployment is 6.9 per cent. in his constituency. However, his constituency has the highest ranking in Northern Ireland in terms of local jobs, with a job density index—the number of jobs divided by the resident population of working age—of 1.48, compared with the Northern Ireland average of 0.75.

In broad terms, the picture is clear. Employment in Northern Ireland is higher than it has ever been, unemployment is lower than it has ever been, new businesses are growing at an increased pace, more people are engaging with further and higher education than ever before and the numbers taking up apprenticeships are growing. We want to do everything that we can to ensure that the hon. Gentleman's constituents participate in that prosperity. That is the context in which we must look at the ending of the

[Angela Smith]

Worktrack programme. We are trying to ensure that all those who would have been part of it can progress to other forms of training and skills upgrading.

Significant resources are committed to tackling those needs, most notably through the new deal with its package of financial support and opportunities. In certain circumstances, prospective Worktrack clients may have access to the full range of provisions already offered through the various new deal schemes. While it remains a priority for the Department to help people into employment, there is also a change in focus towards individualised targeting of need rather than the sustaining of direct employment programmes. In line with that change of focus, the Department will develop a menu of more flexible provision to help people into work. We know of plans in the rest of the United Kingdom to test a targeted approach described as building on the new deal, or BOND. We plan to do something similar in Northern Ireland.

It is essential for change to build on the strengths of the new deal and other programmes, as well as identifying new ways in which assistance for all who need it—but particularly those faced with the most intractable barriers to employment—can be improved. That can best be achieved through an approach that is targeted more deliberately at meeting the specific needs of individuals. Such an approach should make provision available to all groups, based on a flexible menu of modular provision.

Managers and personal advisers will be able to tailor provision according to their local labour markets and their clients' needs. Central to that will be working more closely than ever with partners in the statutory, private and voluntary sectors. The elements of the menu will be available to all clients, irrespective of the benefit that they receive. Personal advisers operating in the jobs and benefits office network will choose from the menu the type of support that meets their clients' needs most appropriately.

The Department is currently testing the client-centred approach in four pilot targeted initiative—TI—areas that have been designated because of their high levels of long-term unemployment and social deprivation. Two key components of the initiative are the introduction of a transitional employment programme—TEP—which targets the very long-term unemployed and the creation of job assist centres—JACs—which aim to strengthen community outreach services. TIs will also develop a co-ordinated service that builds on partnerships between statutory agencies, local voluntary and community organisations and employers, and will be tailored to individual needs through increased flexibility and access to employment measures. An evaluation of that approach is planned for March 2006, with the completed report expected in November of that year.

My hon. Friend the Under-Secretary has agreed to test a series of measures designed to reform the way in which people claiming incapacity benefits in Northern Ireland are supported in their return to work. I am sure the hon. Gentleman is aware of those measures, which are known as pathways to work. They reflect measures currently being piloted in seven areas in Great Britain. The intention is to introduce Northern Ireland pilots in autumn 2005 and additional funds have been secured for that work.

Pathways to work programmes focus on individuals and offer tailored support to help them return to work. The structure for new claimants includes a series of intensive mandatory work-focused interviews, new rehabilitation services provided by the health service, improved links with new deal for disabled people job brokers, and improved financial incentives—a return-to-work credit of £40 a week, with pre-employment training.

Early performance indicators from Great Britain suggest that between 15 and 20 per cent. of participants have taken up elements of the support package. Furthermore, in some of the pilot areas there has been an increase of between 8 and 10 percentage points in off-flows from incapacity benefits after four months on benefit. Those monitoring the pilot schemes are also reporting significant interest among existing incapacity benefits claimants, who are not currently required to take part in the programme.

In Northern Ireland, as in Great Britain, the probability of someone ceasing to claim incapacity benefits to enter employment is significantly reduced as long as the person continues to receive the benefits. We shall be working with those who have been receiving them for up to two years.

We should all recognise, however, that some people are faced with specific barriers that must be dealt with before they can gain access to employment. Later this year, work will begin to help people throughout Northern Ireland receiving working age benefits who are trying to move towards employment but, without additional specialist support, would be unlikely to succeed because of their personal circumstances. The programme will target those with drug and alcohol misuse problems, homeless people and those with a criminal record.

I trust that what I have said gives some idea of the scale of the work that the Department wishes to undertake, and that the hon. Gentleman recognises that difficult decisions were made during the planning of budgets. I understand that all lead providers have been contacted and that the Department's desire is for the transition from Worktrack to be managed as smoothly and sensitively as possible. Worktrack was highly successful in times of high unemployment, but the time has come to look at other ways of addressing the needs that clearly exist. I assure the hon. Gentleman that what is being done and what is planned for the future represent, in the current economic climate, a realistic and deliverable alternative to meet the needs of the unemployed.

The motion having been made at Six o'clock, and the debate having continued for half an hour, MR. DEPUTY SPEAKER *adjourned the House without Question put, pursuant to the Standing Order.*

Adjourned at half-past Six o'clock.

Westminster Hall

Tuesday 11 January 2005

[SIR NICHOLAS WINTERTON *in the Chair*]

Community Railways

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Ainger.]*

Mr. Deputy Speaker (Sir Nicholas Winterton): Before we start our business, I want to welcome hon. Members back to the House after the all-too-short Christmas recess. I wish everyone a happy, prosperous, peaceful and successful new year.

The first debate has been initiated by the hon. Member for Scarborough and Whitby (Lawrie Quinn), the subject of which is clearly popular. Many hon. Members are present in the Chamber and quite a number of them have notified me that they wish to speak. If they are relatively self-disciplined, I will try to include as many of them in the debate as possible.

9.30 am

Lawrie Quinn (Scarborough and Whitby) (Lab): It really is an honour to be granted the first debate in Westminster Hall in the new year. I wish to reciprocate on behalf of all hon. Members in the Chamber in sending our best wishes to you, Mr. Deputy Speaker, and to all the staff of the House for the healthiest and happiest of new years. It is clear from the number of colleagues who have joined me this morning that a popular subject has been granted for the first debate of the year. Given the wide geographical representation in the Chamber, we know how important community railways are to the nation. I shall limit my remarks to allow as many hon. Members as possible to raise the specific issues affecting the many local routes that they represent.

Last week, I was reminded that the new year of 2005 is the 40th anniversary of the infamous work of Dr. Beeching and, in a personal context, it is 25 years since I started my railway civil engineering career, before entering the House of Commons in 1997. I hope to steer the debate with due reference to both anniversaries and to what have been the seven happiest and most fruitful years of my life as one of the joint chairmen of the all-party railways group of which you, Mr. Deputy Speaker, are an active member.

What Dr. Beeching did 40 years ago was fundamentally a major error. Such action was pessimism over optimism and a pessimistic assessment of how much the rail network deserved to survive. Today's debate will link back to what has happened during the past 40 years and will demonstrate how far the potential for community railways can be taken.

Community railways are really about local people and partnerships. In my constituency of Scarborough and Whitby, the Esk valley route from Whitby to Middlesbrough through the North Yorkshire moors national park, the North Yorkshire moors railway and the route along the Yorkshire coast from Scarborough through Bridlington to Hull are good examples of the type of railways that we shall be considering this morning; it is a list of railways that Dr. Beeching did not manage to cut. Given such an historic context, we must define what is meant by a community railway.

In the 1950s, significant parts of the network were being closed as the spread of the private car and the lorry took away much of the local railway's traditional business. In 1963, the Beeching report concluded that about a third of the network should be closed along with many local stations on main lines. The programme was vigorously pursued for five years against strong community opposition. In 1968, it was evident that such an approach could not continue and the policy started to change. The then Transport Minister, Barbara Castle, introduced a subsidy payment for services that did not quite pay their way. It reflected the gap between income and costs and recognised the social and political value of particular local lines. Later, it was consolidated into the passenger service obligation grant under the Railways Act 1974, which lasted until it was replaced by franchise support mechanisms and payments on privatisation between 1996 and 1997. The recent work by the Government and the Strategic Rail Authority responds to the situation today and seeks to repair the historic trend of decline and ultimate closure of our important local community routes.

The community rail development strategy, which was published last November, follows naturally from those historic strands. It is based on the wishes of the communities served by key lines around the country to remain connected to the national rail network and on the concept of a different category of local railway, separately specified, with standards appropriate to its use. It builds on the wishes of local communities to be actively involved in the development of their railway. Essentially, it is about putting those lines on a sustainable basis by bringing costs and income closer together. It recognises that continued subsidy will be required and needs to be commensurate with the value of the railway to the community in terms of economic development, accessibility, social inclusion and the environment, as well as fitting in with spatial development plans and fulfilling a role as backbone of local public transport.

The strategy provides the first opportunity for many years—perhaps 40 years—to consider the development of community railways in their own right. Previous policies focused on principal routes or market segments, with little regard paid to the effect on local and rural railways. Fares and standards are often a by-product of decisions made to meet the needs of main lines, but the new strategy provides an opportunity to consider separately the unique characteristics of the much-loved and much-valued community railways.

Many hon. Members have discovered first hand from debates and visits by the all-party railways group as well as recent sittings of the Transport Committee, how important the community railways are to local people. When I have finished speaking, I hope to hear wider contributions from the Floor to support the arguments for many valued local railways from all over the country.

As I look forward into the new year, the outlook for rural railways is positive. Publication of the Strategic Rail Authority's community rail development strategy on 22 November last year, with the Secretary of State's

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strong support, was a turning point for rural and local railways in the United Kingdom and perhaps helped to define the new concept of community railways. The new policy suggests development of more lightly used lines in a sensible, cost-effective way. Every Member of the House must applaud that. It will also help to reduce operating costs and to drive up use and revenue. That is important for this sustainable objective.

The proposals include seven demonstration projects, and I am pleased that the Esk valley route in my constituency is one of the seven routes. Those projects will provide practical experience of the best ways of achieving the goals set out by the strategy. I hope that every Member of the House will play a full part in becoming involved in the projects in their own localities to ensure that that is delivered.

Fifty-seven routes have been identified as suitable for future community rail designated routes and perhaps operating standards can be simplified, as is common in other parts of Europe. It is fair to note that much of the policy that has been developed during the past decade or so has its roots, in terms of best practice, in Germany and Scandinavia. I am pleased that many hon. Members have been able to see that work in practice.

The key component of the strategy is the community rail partnerships. They have been extremely successful in winning new business for the rural railways. I believe that the SRA's statistics confirm that. The partnerships bring together local communities, local authorities and the railway industries, with the shared goal of improving service and driving up the use of rural lines. Many of them have been effective in bringing in external funding for projects, including station improvements and extra train services. They go beyond the simple transport agenda and link into wider strategies for accessibility, rural regeneration, social inclusion and sustainable tourism. A growing number are structured as social enterprises and generate some of their resources from practical initiatives such as on-train catering services and events, running feeder bus services, and organising community car clubs and consultancy services—all good examples of the type of work done in the Esk valley.

Despite that positive background, media coverage of the recent launch was mixed, to say the least. Where local journalists had been briefed and were aware of the work of their local community rail partnerships, the coverage was positive and well informed. However, that was not the case with some national newspapers. That led to scare stories about closures and a Beeching mark 2, which undermined the strategy's positive message.

David Taylor (North-West Leicestershire) (Lab/Co-op): Does my hon. Friend agree that the negative coverage was not helped by the remarks of some in the upper reaches of government about transporting round the country large volumes of fresh air? Does he also agree that, if the SRA brief were widened from its laudable aim of improving the revenue from and usage of existing passenger rail lines to include the restoration of passenger services such as the national forest line in north-west Leicestershire and south Derbyshire, that would also be worthy of attention and investment?

Lawrie Quinn: Indeed, it was remarks of that kind that generated the interest and were one of the reasons why I applied for this debate. I wanted to ensure that the Government gave us the positive answers that I optimistically expect.

At the heart of this matter is the concept of partnership working. Without doubt, the sense of partnership that has been generated owes a tremendous amount to the Association of Community Rail Partnerships, led by Paul Salveson. It has done an excellent job by facilitating the involvement of many local railway support groups, local authorities and individuals in the development of this new policy. The association has already responded to the negative general media coverage of the strategy and has tried to stress the positive way forward. I hope that this debate will enable us to put the record straight about what we mean by community rail partnerships and the objectives that hon. Members seek for their local railways and the national transport network.

The strategy is supported by a wide range of organisations with a long record of supporting rail and public transport—Transport 2000, Railfuture, the Rail Passengers Council and many local user groups. I hope that that will reassure anyone who thinks that the strategy is about cuts. It is not; it is about driving up revenue through greater use and looking at the scope for reducing costs where possible.

I thank Mr. Speaker again for being so all-knowing about the importance of this debate. With it, the Government have an opportunity to give the positive response that I am sure we all want to hear.

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): I am extremely grateful to my hon. Friend for introducing this important debate. Does he agree that an important facet of the Government's response must be the flexibility to allow the community partnerships to develop around the markets that apply in their areas? In my constituency the north-south Bidston-Wrexham line, which can be developed for commuter and leisure activities, is quite different from the lines that run east-west, which could see significant freight development.

Lawrie Quinn: Indeed, that sentiment is at the heart of the community rail development strategy published by the SRA in November. The strategy tries to provide local solutions and to focus on the fact that each local railway is a separate entity that needs local solutions.

Mr. Ronnie Campbell (Blyth Valley) (Lab): I congratulate my hon. Friend on securing the debate, because it is important, especially in our area—south-east Northumberland—where there were a lot of pit closures a few years ago. Those closures mean that everybody now has to move out of the area to find jobs. The problem in our area is that there is no transport except for buses. However, there is also a rail link, which is dormant. As we said, that is unfortunate, as rail

linkage would get people from the areas where the coalfields used to be to the Tyneside conurbations, where all the work is now.

Lawrie Quinn: My hon. Friend may remember that I spoke on the subject in his constituency some years ago. I believe that, if fully implemented and developed, the community rail development strategy, above all through community partnerships, but also through closer working between regional and local authorities, offers hope that the type of initiative that he wants will eventually be brought forward. This is the start of a marathon march of policy development. It will be extremely important for many local communities.

We have heard the keenness of many colleagues to intervene on the debate. Their interventions and their presence in the Chamber shows the strong support for community rail development strategies around the country. It also shows what positive examples there are in the local areas of the 60 or so railways around the country. I hope that every Member of the House will commit to support the maintenance and development of railway services in their constituency and nationally, just as my hon. Friend the Member for Blyth Valley (Mr. Campbell) has.

Mr. Bob Laxton (Derby, North) (Lab): I share my hon. Friend's view that there is a good—indeed excellent—future for community railways. Does my hon. Friend share my concern that, at the same time that the Government introduced the Railways Bill, which includes abolition of the SRA, the SRA published a report about the community rail development strategy? I have some concerns about a railway service that runs through my constituency in Derby.

Mr. Deputy Speaker: Order. Interventions should be brief. They are not speeches.

Mr. Laxton: Thank you, Mr. Deputy Speaker. The railway service in question runs predominantly through the constituency of the hon. Member for West Derbyshire (Mr. McLoughlin). Traffic on that railway has grown by 15 per cent. Like many commuters, I have some concerns about the future of that railway service.

Lawrie Quinn: I think that that particular train was well out of timetable, but I agree with my hon. Friend's point. As my speech comes to its conclusion, I want to put some key questions to the Minister. I am sure that we are all interested to hear the Government's response.

I was talking about the direct role that Members of Parliament can play in their local community rail partnerships and how, if such partnerships have not been formed, hon. Members can help form them in their area. I have played a small but, I hope, significant, role in supporting the work of the Esk Valley rail partnership in the past eight years or so. Given my expertise in the rail industry, I hope that that has been a positive contribution to the debate.

It is worth noting some heroes. On behalf of the Esk valley railway development company, I pay full tribute to the original development officer, Neil Buxton, who handed over to his successor, Tony Smare, in 2003 after many years working with the local community to sustain and build the community rail partnership—a partnership that saw groups such as the women's institute and local parishes work closely alongside the county council, the North York Moors national park and the North York Moors railway to sustain and in some senses take ownership of those vital community assets.

My first-hand experience of working with the Esk valley railway development company allows me to focus on three key work streams that are important in my locality—marketing, rail operations and infrastructure. Those are significant and important because the franchise has just been transferred in my part of the world and there needs to be continuity of working to ensure that the good work that has been invested over many years is not lost.

I pay tribute to Network Rail, in particular, for working in partnership with local groups and the local newspaper, the *Whitby Gazette*, to recognise the importance of renewing the final mile or so of track into Whitby to improve journey times, rideability and the overall performance of an important piece of railway that had seen little attention since those black days of Beeching.

Mr. Denis Murphy (Wansbeck) (Lab): Does my hon. Friend agree that the demise of Railtrack will improve the opportunities for introducing new passenger rail services such as the Ashington, Blyth and Tyne line, which was mentioned by my hon. Friend the Member for Blyth Valley (Mr. Campbell)? Were it not for the incompetence of Railtrack and the fact that the SRA diverted the vast majority of funds to improve the west coast main line, by now we would probably have had passenger rail services running on the Ashington, Blyth and Tyne line.

Lawrie Quinn: As my hon. Friend and many in the House know, I spent the last days of my career as a railway civil engineer working for Railtrack. I believe that the attitude and community focus of Network Rail, and the fact that it is prepared to work with community groups in community rail partnerships, demonstrates that there is a different, positive attitude. I urge him to become involved, if he is not already, in forming a rail partnership for his location.

The Esk valley line has been much improved and there is hope that in February—a few weeks' time—there will be a multi-million pound investment in the renewal of the final piece of track, brought about by a community partnership.

Judy Mallaber (Amber Valley) (Lab): Does my hon. Friend share the concern that has been put to me by the friends of the Derwent valley line, which affects three hon. Members present in the Chamber, that the abolition of the Countryside Agency raises some doubts about the funding of such partnerships and how they will continue to pursue the valuable work that they do?

Lawrie Quinn: My hon. Friend tries to prevent me from closing my more parochial remarks, but I am coming on to some key questions that I am sure that all hon. Members want the Government to answer.

I hope that the Minister will restate the Government's full support for the strategy and the intention to transfer it, with all its formal powers, to the Department for

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Transport once the SRA is wound down. I hope that she will express support for community rail partnerships across the United Kingdom and for the work of the Association of Community Rail Partnerships, which is the national federation of community rail partnerships. I hope that she will include a commitment to maintain Government funding for ACoRP once the SRA and the Countryside Agency funds cease.

The commitment to the development of a rural rail network, which we all want to see, will bring great benefits and give community rail partnerships throughout the country greater confidence, and enable them to understand better how local circumstances can bring about the much-needed change and the flexibility that we have heard about in some of the interventions, and how they can improve and extend services.

I hope that I shall be able to tease a reassurance out of the Minister that the proposals set out in the Railways Bill do not herald a systematic closure programme. Any future proposed closure programme should take account of the important social exclusion issues that we have mentioned briefly this morning.

We need to hear about the Government's commitment to get the best from rail and complementary transport in rural areas. There is much scope to develop many of the integrated bus and rail links, as well as to promote walking and cycling to stations. In rural areas, particularly national park areas—such as the one in my own constituency—the spread of public transport is very thin, and it makes obvious sense to ensure strong integration between bus and rail to maximise the potential of the network.

This year will present a number of challenges to the community rail partnerships and to the Association of Community Rail Partnerships. The Countryside Agency and the Strategic Rail Authority have been major funders of vital work and of community rail partnerships. Both organisations will be wound down this year, and their funding support will cease. It is essential that ACORP should continue to develop its positive work with the rail industry and the Government. The funding gap must be bridged and properly filled. What has been achieved so far has come from a real sense of partnership, and I pay tribute to what has happened in Scotland and Wales, where generous support has been provided to community railways.

In conclusion, not only the future development of transport links but the vitality and economic regeneration of communities such as Scarborough and Whitby depends on good transport links and good access to the rest of the country. The strategy, when it is fully developed and given its head with the voice of local people at the forefront, will create the prospect in my area and many others of reopening many of the missing railway links that were axed by Beeching 40 years ago. One such important link is the eight-mile route from Pickering to Rillington Junction, which offers the revitalisation of transport from Whitby, in my constituency, to the city of York.

It is extremely important that we have reassurance from the Government. I commend the work of the SRA in introducing this strategy, and I pay full tribute to Mr. Chris Austin, the executive director of community rail development, who said in a covering letter to the SRA that was also sent to all hon. Members:

"Success will be seen as a railway which is sustainable and which contributes to a vibrant local and rural economy, as well as helping to meet Government targets on accessibility, the environment and social inclusion."

I hope that the Government believe that, and that the Minister will confirm it during the debate.

Mr. Deputy Speaker: I repeat my request for very short speeches, and I ask the Front-Bench spokesmen to shorten their contributions, because many hon. Members wish to speak.

9.59 am

Mrs. Theresa May (Maidenhead) (Con): I note your request that we make short speeches, Mr. Deputy Speaker, given that the hon. Member for Scarborough and Whitby (Lawrie Quinn), who opened the debate, has spoken for almost one third of the time available to us.

I want to speak about two lines in my constituency, the Maidenhead-Marlow and Twyford-Henley lines. They are both designated in the Government's plans as future community railways—a proposal that has caused much concern to my constituents and those of my hon. Friends the Members for Henley (Mr. Johnson) and for Wycombe (Mr. Goodman), both of whom are actively taking up this cause on behalf of their constituents.

I begin by saying that I have no problem with the concept of the community railway. I am sure that there are lines in the country for which the concept is right and entirely suitable. It will be appropriate to designate such lines as community railways; the hon. Member for Scarborough and Whitby has spoken lyrically about his own Esk valley line. However, I do not believe that such a designation would be appropriate for heavily used lines that form major parts of the commuter railway network.

The hon. Member for Scarborough and Whitby referred to lightly used lines. In its consultation document, the Strategic Rail Authority discussed lines that were local and rural in character. The two lines that affect my constituency—Maidenhead-Marlow and Twyford-Henley—are not lightly used. In peak hours, they are a main part of the commuter network and carry residents from Wargrave, Cookham and Furze Platt into Maidenhead and Twyford, on to the main line and then, predominantly, into London Paddington, although some people commute west. The lines are heavily used in peak hours and it would not be appropriate to designate them as community railways.

The hon. Member for Scarborough and Whitby paid tribute to the role of the Strategic Rail Authority in bringing forward the proposals. That authority, which was set up only four years or so ago by the Deputy Prime Minister, is now being abolished by this Government. The abolition of the SRA means that the responsibility for such decisions will fall to the Department for Transport.

The question for my constituents is whether they can trust this Government to look after the future of their heavily used branch lines. From their experience of this Government's transport policy, their answer must be a

resounding no. Anyone who tries to fit on the 7.27 from Twyford to Paddington on a weekday morning—courtesy of this Government's change of our local railway franchise from Thames Trains to First Great Western—knows that. Sadly, our local commuter lines are being pushed to one side in favour of long-distance trains. What does that say about the future of branch lines such as Maidenhead-Marlow and Twyford-Henley?

Tony Baldry (Banbury) (Con): Does my right hon. Friend agree that one of the reasons why none of us trust the proposals is that they represent a classic smoke-and-mirrors effort by the Government to shift the subsidy that they have been giving to community rail lines on to local authorities, without giving those authorities any extra money? The case is made—no one can trust the Government on this issue because they are seeking simply to shift the responsibility and any blame for problems on such lines to other agencies that do not have the necessary funds.

Mrs. May: My hon. Friend is absolutely right. This is yet another example of how this Government all too frequently shift the burden of responsibility on to local authorities but do not follow that up with the necessary funding. The idea that a community rail partnership would take over the running of the Maidenhead-Marlow or Twyford-Henley lines, with all the funding responsibilities that that would bring, causes significant concern among my constituents. They feel that the only outcome will be reduced services—particularly peak-hour services—and that this is about nothing less than future closure by the back door.

The Strategic Rail Authority's consultation paper on the proposals suggested that a community rail partnership would not be suitable for high-frequency railways; in fact, it designated as suitable low-frequency railways with hourly or less frequent services. In peak hours, the Maidenhead-Marlow and Twyford-Henley lines have half-hourly services, and that fact on its own shows that they do not fit the criteria set by the Strategic Rail Authority for community railways.

As I have said, there may well be railways that the designation fits, but I do not believe that the two lines affecting my constituency are such railways. They are used heavily by commuters in peak hours and by schoolchildren travelling to local schools. We want people to use those railways because doing so has many environmental and social advantages. They are heavily used at the moment, and it would not be appropriate to hand them over to the local authority. In the case of the Maidenhead-Marlow line, the local authority—the Royal Borough of Windsor and Maidenhead—could not even respond to the consultation document on community railways; local authorities are not the best bodies to run community railways.

I can only think that the Government have a long-term plan to cut back on the branch lines and to reduce the subsidy. That will lead to reduced services and, in the end, to cuts by the back door. As one of my constituents said in the local paper, at least Beeching was honest about what was being done. I fear for the future of those two lines as a result of the designation, and I urge the Government to remove the Maidenhead-Marlow and Twyford-Henley lines from the proposal to designate them as community railways. My constituents need those lines, and the Government need to respond to their concerns.

10.5 am

Mr. Colin Pickthall (West Lancashire) (Lab): I congratulate my hon. Friend the Member for Scarborough and Whitby (Lawrie Quinn) on securing the debate, which is of great interest to all of us. Like probably everyone else, I want to be very parochial in my remarks.

Initially, I was very interested—almost excited—by the ideas in the document about community rail partnerships, because they seemed to give those in my part of the world a good opportunity to get a grip on rail services that are, for reasons that I shall give later, inadequate. However, I was depressed by the response given to the document by the local ginger group, a very good and active group with which the hon. Member for Southport (Dr. Pugh) and I have a great deal to do: the Ormskirk, Preston and Southport Travellers Association. It immediately responded to the proposal as if it were the death-knell of those railways specified as being suitable for community rail partnerships. Perhaps the group had been talking to the right hon. Member for Maidenhead (Mrs. May).

West Lancashire has three rural railway lines: Southport to Manchester or Wigan; Liverpool to Preston via Ormskirk; and Liverpool to Wigan via Kirby. Those are all local and rural lines, but obviously they also connect substantial conurbations. There is nothing better than an hourly service on the lines—when the trains turn up, that is. All three lines are on the list as being suitable for community rail partnerships, and I would very much like them to be taken over by a community partnership as soon as is reasonably possible.

Two of the three lines are broken, in that the electrified parts of the lines from Liverpool end in Kirby and Ormskirk. Passengers have to transfer from those lines to diesel lines to make the rest of the journey. There are 11 small stations and halts. The largest community in my constituency is Skelmersdale, which has 40,000 people and is growing rapidly. It has no rail link at all to the rest of the country, even though the Liverpool to Wigan line runs along its borders, only about a mile away from the town centre. For many years, we have sought to link up Skelmersdale with the railway world, but we have failed. I hope that the community rail partnership will be a way to secure that link.

The Ormskirk-Preston and the Southport-Wigan lines cross at right angles in the town of Burscough. There are two stations in Burscough, and they are a mile apart. In the pre-Beeching days, those two lines were linked by the famous—in my part of the world—Burscough curves, so it was possible to make an almost right-angle turn in Burscough, and go from Liverpool to Southport, or from Southport to Preston, via Burscough. The track for those lines is still there, and there is a great feeling in the district that they should be reopened; the cost would not be too terrible. There is a big debate to be had about that, but it would fit in the category of restoring the curves.

The community rail partnership, if properly handled, could be of immense benefit. First, it could link Skelmersdale; secondly, it could bring back the

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Burscough curves; and, thirdly, it could create a more rational timetable. One reason why the lines are underused is that there are hardly any late-night services and none on Sundays. In the villages and hamlets where there are stations, young and elderly people in particular are isolated and cannot get into any of the large towns 15 or 20 miles away.

Station accessibility could be tackled. Several stations are impossible to get into with a pram, or if one suffers from mobility difficulties. It has been suggested that unused or underused station buildings could be put to multiple uses, and that would be wonderfully appropriate for many small stations. A community rail partnership could advertise the lines and the places that people could get to. I am also interested in the Cumbria coastal line, but I do not have the time to talk much about that now. Virtually no work is being done, and has not been for 20 or 25 years, on advertising the places that people can get to on that line—the Lake district and the coast. As a result, it is terribly underused.

Will the Minister say a little more about precisely what the simplified operating standards would mean? What will they involve and how would they save resources? Will she say something about the variety of lead organisations that might be appropriate for involvement in partnerships? There is a very active local strategic partnership serving the whole of west Lancashire. Would that be an appropriate forum to pursue these ideas?

I had a lot more to say, but a large number of people want to speak and I will close my remarks with those questions.

10.11 am

Hywel Williams (Caernarfon) (PC): I congratulate the hon. Member for Scarborough and Whitby (Lawrie Quinn) on securing this important and interesting debate.

I want to speak on behalf of my own line, which is the Cambrian coast line, which runs from Pwllheli in my constituency to Machynlleth. It stops at busy little stations in Porthmadog, Bermo and various other places on the way down, as well as many romantic and windswept halts on the seashore of the west coast of Wales. The line was first mooted to be a link with Ireland, in competition with Holyhead, which had to face the little difficulty of crossing the Menai straits—which it does magnificently, of course.

The line has faced many perils over the years, including marine boring insects, which were a threat to the bridge at Bermo and, most important, the threats posed by Beeching, who closed the vital 16 miles between Afonwen and Caernarfon. That prevented travel from the south and west of Wales to the north of Wales.

The Cambrian coast line is part of the network. It is a community railway in terms of the infrequency of the service, the fact that it serves a rural community and the fact that it provides travel for tourists, but it is also part of the network. I know that my colleagues on the Cambrian coast forum would want me to emphasise that. It is a busy local forum, made up of local representatives from the councils and also my hon. Friend the Member for Meirionnydd Nant Conwy (Mr. Elwyd). We see the Cambrian coast line not only as serving our local community but as the link to Shrewsbury, Birmingham, London and beyond, as well as to south and west Wales. I want to emphasise to the Minister that it is part of the network, even though it might appear to some to be a quaint, romantic and perhaps even Ruritanian little line out in the west of Wales.

My second brief point is in respect of the School Transport Bill, which we discussed some time ago. The Cambrian coast line carries 250 school students every day. It is probably the only practical way that some students can attend the schools in Porthmadog and in Harlech. The line derives about £109,000 a year as a direct result of its use by school students. I want to emphasise to the Minister that when guidelines are being drawn up for the preparation of school transport schemes the rail element must be given proper consideration, particularly in respect of my line. I am sure that the local forum will be discussing that with the national Executive.

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): I understand that the hon. Gentleman has written to me about that issue and I have responded. He will receive a response in writing very shortly.

Hywel Williams: I thank the Minister for that intervention. I am sure that there is great scope for using community rail lines for school transport and I commend such use to hon. Members.

10.15 am

Ross Cranston (Dudley, North) (Lab): I commend my hon. friend the Member for Scarborough and Whitby (Lawrie Quinn) for taking the lead nationally on several health and safety issues and on this issue. I wish to talk about the matter in a slightly different way and deal with the rolling stock that is used on community railways.

The black country has always been a centre for technological innovation. In particular, Parry People Movers, which is mentioned in paragraph 2.5 of the document, has been developing rolling stock for versions of light rail in recent years. I should declare an interest, as several close friends and members of my immediate family have small investments in John Parry's company. They have made a social investment from which they do not expect any immediate return.

The forms of light rail carriages that have been developed have great advantages. They cause less pollution, use less energy and have high-performance acceleration and braking systems. They do not have to be segregated from the surrounding environment with, for example, fencing, and are less costly to run. However, I wish to raise four points about some of the difficulties.

The first difficulty is up-front investment for innovative technologies such as this one. The National Audit Office report on light rail in April last year mentioned the need for up-front investment. I ask my hon. Friend the Minister to identify—perhaps later—where funding might come from. For example, could the

Energy Saving Trust's powershift programme, which applies to buses, cars and so on, also be used for light rail?

The second issue—improving value for money—is referred to in paragraph 1.8. The strategy document says that further research is required on rolling stock value for money, lower costs for ground-level boarding and so on. I urge my hon. Friend to arrange for such research to be carried out as soon as possible so that there will be no impediment to community rail.

The third issue relates to specifications for rolling stock. As I do not have time, I shall not go into detail, but there have been great difficulties in meeting some of the specifications, which historically focused on high-speed rail. Applying them to the development of rolling stock for community rail has been difficult. The strategy document says that the standards should be as flexible as possible and appropriate to the routes. I urge the Government to ensure that the specifications are flexible, to match a more flexible railway.

The final point is about interchange with other forms of transport. The Brierley Hill metro extension, which will affect my constituency, relates to community rail in that heavy rail freight will run over part of it. There is a need for flexibility. Incidentally, I urge the Government to approve funding for the Brierley Hill metro extension by the summer. Everything is now in place, but, again, there must be a more flexible approach to linkage with other forms of transport.

10.18 am

Mr. Patrick McLoughlin (West Derbyshire) (Con): I wish to make just a few comments. The line I want to talk about has already been referred to by the hon. Members for Derby, North (Mr. Laxton) and for Amber Valley (Judy Mallaber).

The way in which the hon. Member for West Lancashire (Mr. Pickthall) started his speech was quite telling. He began by saying that he was very excited when he first heard of the community railway idea, but then became very depressed by the reaction to it. I wonder whether that is not something like the experience in respect of what we hear from the Government. An idea starts off, and, yes, we may all agree with it and agree that there is some logic behind it. But we are haunted by the Chancellor's words: we cannot believe a word that they say. He said that of his neighbour, and the truth is that the British public are now saying it of the Government. That is why there has been a great deal of scepticism, to put it mildly, about what community railways are all about and what they will actually deliver.

I have received a letter from the friends of the Derwent valley line—as, obviously, have other hon. Members. I want to discuss that line because it serves an important part of my constituency. It goes from Derby up to Matlock. It includes the stations of Matlock Bath, Cromford, Whatstandwell, Ambergate, Belper, Duffield and Derby. A good half of that line—the section from Ambergate—is on the same line that is used by inter-city railways. Virgin and Midland Mainline use it for their main services. The line is designated to become a community line—it is not in the first seven, but it is one of the other 57 lines that we have heard about. Who will have the priority on it, if it is designated as such? That worries me.

The concerns expressed to me by the friends of the Derwent valley line have a lot of legitimacy. There is much concern about what will be the consequences of the Government's overall proposals for the line, and also about what will come out of the Railways Bill.

We have heard lots of comments this morning about the Strategic Rail Authority and its published document on the community rail development strategy. The Government set up the SRA, and they are now abolishing it in the Railways Bill. When the Deputy Prime Minister set up the SRA he informed us that it would be the answer to all the problems facing the railway industry, and the present Secretary of State for Transport has told us that the Bill is the answer to all the problems currently facing the railways. Therefore, it is not surprising that the British people are sceptical about what the community railways policy will actually deliver.

The hon. Member for Amber Valley and the friends of the Derwent valley line have mentioned the abolition of the Countryside Agency, and the fact that future funding for the community rail partnerships in general and the Derwent Valley Rural Transport Partnership in particular is not guaranteed after 2005. I want the Minister to assure us that that funding is secure, and that finding that money will not suddenly fall on any of the relevant councils—Derbyshire county council, Derbyshire Dales district council, Amber Valley borough council or Derby city council. It would be a travesty if the funding were not in place and we were expecting any of those councils to find that money.

We all know about the problems with regard to local authority resources. There has been an increase of 15 per cent. in passenger traffic on the Derwent valley line in the past six months. The areas that the line serves attract many tourists in the summer months, as well as at other times of the year; lots of people go up to Matlock and Matlock Bath. The Minister's constituency abuts mine and she knows the area well. We also have a huge number of visitors to the Peak district. Therefore, there is a lot of pressure on the roads and urban transport.

Today seems to be a transport day in the House of Commons. There is not only this debate but a debate on road safety this afternoon in the main Chamber; the Railways Bill is also being debated in Committee. There is a lot of attention on transport today; but there is also much concern. I have not had enough time, but I want to ensure that the Minister has time to respond to some of the interesting points raised by many hon. Members.

There is much scepticism about the underlying motives behind community railways. As my right hon. Friend the Member for Maidenhead (Mrs. May) said, there is a case to be made for them in certain areas where the railway interferes with no other lines. I am concerned about the Derwent valley line—particularly about whether a community railway or one of the larger companies, such as Midland Mainline or Virgin will get priority when they operate on the same tracks. My constituents are also concerned about that.

Whenever there is any threat or change to the railway service—there was a possibility earlier this year that some services would be removed—that issue fills my postbag. I thought that the Government wanted to encourage people to use the railway. That is what they say, but they must give an assurance that they are not putting services at risk.

10.25 am

Judy Mallaber (Amber Valley) (Lab): Just briefly, following on from previous points, I ask the Minister for some reassurances about the clauses of the Railways Bill on railway closures, because they are causing some anxiety in relation to the development of community railways and particularly the Derwent valley line.

I ask the Minister to consider the different uses of railways in the future development of the railway service. Commuters have expressed their concerns to me about whether services on the Derwent valley line might be lost from Standwell and Ambergate into Derby and into Belper. However, that line is also important in the economic regeneration of the midlands. The Derwent valley has world heritage status and it is essential that we develop the railway line further. The partnership that we have had up to now has done well, in conjunction with Central Trains and the county council, in developing and expanding traffic on that line, and it will expand in future.

I am a great supporter of community transport buses and getting more money into such schemes and of the tax regime under which they operate. In this situation, however, we have to consider community transport in terms of the railway. The A6 is the main road through Derby and is used for everything: lorries use it, tourists do too, and so do those of us who dawdle behind the tourists trying to get to Matlock to visit the county council buildings. The A6 is a wonderful route that is also used by bikers and it even has helicopter signs, because the bikers are monitored from the air. We cannot afford to expand buses on that road as the main form of transport to meet all those needs.

I hope that in the development of the railway lines and this policy my hon. Friend the Minister will consider how to develop a range of uses in different areas. The Derwent valley line is valuable. It has a great deal of local support and we want to ensure that the proposals put forward are advanced positively to meet the various needs in our area.

10.28 am

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): I want briefly to mention the Bedford to Bletchley line in my constituency, which has an active rail user group that has worked with the local authority and the train operator, Silverlink, to grow custom on that route. Can the Minister confirm the suggestion in the SRA's rail strategy document that it would be possible for the Bedford to Bletchley rail link to join the Bicester to Oxford route, in the constituency of the hon. Member for Banbury (Tony Baldry)? Those two rail links are part of the Oxford to Cambridge route that was shut down by Dr. Beeching and are part of the wider east-west rail link. If they could join in a single community rail partnership, it would benefit them, would be helpful in reopening the closed section of line between Bicester and Bletchley and would contribute to the reopening of the Oxford to Cambridge link.

Will the Minister confirm that that sort of rail partnership between two separate links is possible?

Mr. Deputy Speaker: I can only say that hon. Members have more than co-operated with my request. If there are no further Back-Bench speeches, we can start the wind-up on time.

10.29 am

Dr. John Pugh (Southport) (LD): I will be brief, because the Minister has a lot to respond to. I congratulate the hon. Member for Scarborough and Whitby (Lawrie Quinn) on securing this important, wide-ranging debate that started in Westminster and seems to have covered all stations north.

No one can be against the objectives of the Bill—increased use, costs down, less subsidy and, generally speaking, a new approach. Community ownership is a fine phrase. The new approach defined by the SRA involves a series of desirable moves, such as the use of other funding sources—although some of the funding sources specified in the paper that it prepared seem a bit optimistic. The paper mentions better marketing, integration, flexible fares, boosting secondary sales such as cinema tickets, food and additional products that can be sold as part of the package, links with tourism and events and more flexibility. None of us would object to having nicer, better looked-after stations and realistic and appropriate engineering standards.

None of the proposals are objectionable in principle, and none of them are impossible on a larger scale. On lines such as Mersey Rail a lot of co-operation takes place with the local community over events programmes, although that line is not designated for community rail partnership.

I accept that we are dealing largely with a dysfunctional and disjointed system. Despite the good prospectus, there is suspicion about the Government's zeal for community rail partnerships. That is despite their protestations on that score, notwithstanding the remarks made by the Department for Transport about moving air around the country. Many of the lines are believed to make heavy losses, although in the SRA paper a community line is not by definition a line that bears heavy losses or incurs big expenses. I suppose that suspicion is exacerbated by the fact that the Railways Bill, which is being debated in Committee as we speak, contains an inordinate number of clauses about closures. I suppose also that part of the suspicion lies in the fact that some of the ideas have evolved from communities' attempts to save railway lines under threat. It is relatively easy to parody the plan under discussion, seeing it as the gradual handing over of the line to anoraks while reducing funding—a kind of Beeching mark 2, with all the subsequent economic and social damage, which is never properly weighed up with railway closures.

None the less, my personal position is one of slight ambivalence. I am not convinced that everything recommended in the paper by the SRA can necessarily be dismissed. There is a lack of clarity about what a community rail partnership is, and the consultation documents provided to the SRA say so. We are unclear, and we will still be unclear after today, about how the cocktail of funding will work. There is a lack of clarity about the true cost of the existing lines. It is unclear how liabilities and assets will be dealt with, because some community rail partnerships will inherit track that has been recently renovated, which will be run at a low cost. Other partnerships will inherit substantial and heavy costs.

It is unclear how community rail partnerships will work in the wider industry, which everyone acknowledges is fairly fragmented. It is also unclear how

partnerships are going to get out of hock to the train operating companies and the rolling stock leasing companies, which have a licence to print money whether community rail partnerships exist or not. It is fundamentally unclear how the partnerships will avoid having responsibility but little control and possibly less funding.

I remain suspicious about designation, which is the process whereby some rail lines are being designated suitable for community rail partnerships—an issue brought up by the right hon. Member for Maidenhead (Mrs. May). In the north-west, the Southport to Manchester airport route is designated as one for community rail partnership, which is particularly interesting to me. In recent SRA documents, routes to airports are regarded as fundamental to the further development of the strategic rail network—not a small local issue but a major part of our transport infrastructure. None the less, other routes in the north-west—the hon. Member for West Lancashire (Mr. Pickthall) mentioned the Ormskirk to Preston line—are almost tailor made for a community rail partnership. Like the hon. Gentleman, I am involved in a project to develop a railway line in that area and to install a curve in Burscough—I hope to see that some day—which will link Ormskirk, Preston and Southport. That would change Merseyrail from a radial structure to a far more profitable loop structure and it could be done with very little cash. Small change from the tram scheme for Liverpool would do, or even the tea money from Crossrail; either would adequately accommodate such a scheme.

Progressing the scheme is extraordinarily difficult; one needs to speak to Network Rail, the Strategic Rail Authority, the train operating companies, the Merseyside Passenger Transport Authority—which is pretty encouraging—Lancashire County Council, the regional development agency and the Government office for the north-west. It is like knitting fog. It takes an extraordinary act of faith to believe that the creation of a new partnership will make life easier. None the less, it might.

There are doubts about the programme and what the Government are endeavouring to do, and those doubts have been voiced by many hon. Members. Is the proposal really about a sustainable future for community lines, or about winding up lines that have no future? I suspect that it is both.

10.36 am

Mr. Christopher Chope (Christchurch) (Con): This has been an excellent debate, and I, too, would like to congratulate the hon. Member for Scarborough and Whitby (Lawrie Quinn). At the beginning of the debate, there were 22 people in this Chamber, including you, Mr. Deputy Speaker, and the Government Whip. That shows the great interest in the subject.

We can divide the contributions into those from Members on the Government side, which were basically centred on naivety, and were made by hon. Members who have, so far, been taken in by the Government's spin, and those from Conservative Members, which were perceptive. My right hon. and hon. Friends realise that if one halves the subsidy to community railways, saving £150 million a year, many rural lines will be forced to close. Not surprisingly, the hon. Member for Southport (Dr. Pugh), who speaks for the Liberal Democrats and is their sole representative here, describes the position as ambivalent; there is nothing new about that.

The proposal is essentially another attack on rural Britain. One needs only to compare the subsidy going into rural community railway lines with that going into London buses, let alone the London commuter rail network, to see the enormous disparity. The Government connive at putting £1 billion of subsidy a year into London buses, yet they seem to resent £300 million in subsidy going into the national network of community railways.

My right hon. Friend the Member for Maidenhead (Mrs. May), in a succinct and pithy speech, put her finger on the key issue: the proposal is about future closure by the back door. If not, why is the line that she mentioned, which is heavily used by commuters during the day, to be included in the community rail network without local people having the opportunity to veto that? My hon. Friend the Member for Banbury (Tony Baldry) talked about smoke and mirrors and about not being able to trust the Government, a theme taken up by my hon. Friend the Member for West Derbyshire (Mr. McLoughlin), who has the Derwent valley line running through his constituency. I understand that that line has attracted a large increase in passengers in recent months.

We Conservative Members are concerned about the gap between what the Government say and what is actually happening. When launching the Government's new vision for rural railways, the Secretary of State for Transport said:

"Rural railways are important to many parts of the country."

We all agree with that. He went on to say:

"We want more people to use rural railway lines and the development of community railways is a vital part of that."

My right hon. Friend the Member for East Yorkshire (Mr. Knight), who cannot be in two places at the same time, would usually have dealt with this debate, but he is dealing with the Railway Bill Upstairs. He asks—and I certainly support his point—why the Government's Railways Bill is making sweeping changes to how community railway lines can be closed in future. If the Government really are interested in promoting community railway lines, would not it be great to have a Bill that dealt with making it easier to open railway lines where demand existed? There is not much chance of that from a Government, who have kicked almost every project for expanding railway capacity into the long grass.

Unfortunately, the Railways Bill is about making it easier to close, not open, railway lines. It is also very much about ensuring that if they are closed, someone other than the Secretary of State will take the blame.

The railway network has remained roughly constant in size since the 1960s. It is widely assumed that the Government's latest wheeze, dressed up as the community rail development strategy, is little more than a smokescreen behind which Ministers are trying to conceal a new round of savage rail cuts. I remember the Beeching cuts; at the time, I was none other than the secretary of the railway society at school, so I felt very strongly about them. I have had a continuing

[Mr. Christopher Chope]

interest in the maintenance of the railway network since those early days. We know what happened then, but I cannot cope with the fact that the Government are not prepared to come clean about their intentions. They are disguising their true intent.

The community railway development strategy transfers more responsibility for financing rail services to passenger transport executives—although it does not transfer any extra money to them—while simultaneously taking away from those executives their role in determining which local rail franchises should be awarded. To provide extra local services, a PTE must get approval from Network Rail, which, as we know, is not an easy task. No such problem arises if the local PTE wants to cut a service—what a surprise. In that case, it is free to switch the spending to other transport modes, as the White Paper delicately puts it. That means a bus. Although Network Rail is allowed to block the provision of new train services if some of its engineers want to do that, there is no comparable hurdle to starting a new bus service, however congested the roads that service may have to use.

An interesting insight into where the Government's sympathies lie is provided by the fact that when new rail services are considered, the extra infrastructure costs and compensation to other operators must be calculated in advance and paid by the local passenger transport executive. In the case of new road surfaces, however, such considerations apparently do not apply. That is described as "streamlining" in the White Paper. That really means that the Government want to shift traffic from trains to buses, but do not want to say so. Most of all, they do not want to take the blame for the rail closures that they are secretly planning.

We are not against flexibility in facilitating decisions about new forms of transport service, but we are utterly against a policy of closure by stealth, which has been designed to ensure that when closures are carried out, the local passenger transport executive will be blamed when the Government are actually responsible. We share the concerns of PTEs throughout the country about the way in which the Government are removing some of their powers. Kieran Preston, the chairman of the Passenger Transport Executive Group has said that

> "it makes no sense to hand over the planning and management of regional rail networks to unaccountable civil servants in Whitehall who lack the local knowledge and expertise".

We have had a good debate. It is important to put pressure on the Minister to answer some of the points and give some of the assurances that hon. Members have sought. We want community railways to have as much freedom as possible to increase their passenger numbers by coming up with their own schemes. We are inherently in favour of freedom, enterprise and decentralisation—they are inherent parts of our policy. That is not the way the Government are going. They have an agenda to close down many rural railway lines by stealth, which is why we are grateful to the hon. Member for Scarborough and Whitby for giving us the opportunity to express those views. I hope that all of those who switch in due course from the naive to the perceptive category will seize the opportunity to press their arguments home on Report of the Railways Bill.

10.44 am

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): I congratulate my hon. Friend the Member for Scarborough and Whitby (Lawrie Quinn) on securing the debate, which has generated a huge amount of interest. We have had a wide-ranging debate, and I could not possibly attempt to respond to every local issue raised. However, I shall undertake to write to hon. Members giving detailed responses to the points that they have raised.

As the House will be aware, the Strategic Rail Authority published its community rail development strategy in November last year. The strategy aims to put local and rural railways on a sustainable basis for the long term, by increased ridership, freight use and net revenue, keeping managing costs down and the greater involvement of the local community. It is based on the premise that the closure of lines is not desirable nor a solution to the problems that local lines face, irrespective of what hon. Members may have read in certain sections of the press. I can assure hon. Members that the strategy is aimed at increasing rail use and developing the railway to the benefit of the communities that it serves.

The strategy has been developed over 18 months. It involved an extensive consultation exercise in February last year, which drew responses from more than 300 organisations and individuals, including local and regional authorities, regional assemblies, regional development agencies, the rail industry, tourism bodies, Members of Parliament, rail user groups and a host of other bodies and individuals. By and large, the objectives and approach advocated in the consultation document were supported overwhelmingly by the respondents. There was an almost universal agreement that no single approach can be adopted nationwide, as many hon. Members have said today. Instead, appropriate local solutions would have to be encouraged within a broad framework.

The final strategy was published in light of the responses received to the consultation. It lists 56 routes that the Strategic Rail Authority proposes to designate as community rail lines. Those local and rural routes make up about 10.5 per cent. of the national rail network, including 390 stations. There is evidence of latent demand for the lines and the argument for their retention and development is therefore compelling. It is one that is supported fully by the Government. To achieve the objectives of the strategy, there will have to be active support from a wide range of stakeholders, including train operators.

Mr. McLoughlin: The Minister may not now know the answer to the question that I am about to ask, so I should be grateful if she would let me know it in due course. Of the 56 lines that have been designated, how many have lines that are part of the inter-city network? I am concerned about the Derwent line in that a large part of it is dominated by the inter-city network and I am worried about the priority that the community lines would receive.

Charlotte Atkins: I cannot give a figure. However, the hon. Gentleman is absolutely right about the Derwent line. I am aware of it; it is not too far from where I live

and my constituency. There is a possible link between the Derwent valley line and Peak Rail, the heritage line at Matlock and, given that it is in the Peak district, there is clearly scope for the development of tourism along that line.

Dr. Pugh: The SRA document contains a definition of a community rail line and a list of lines that are designated as community rail lines. Are there any lines that fit the definition, but that are not on the list?

Charlotte Atkins: I am not aware that that is the position, but I shall write to the hon. Gentleman about it.

To achieve the objectives of the strategy, there will have to be active support from a wide range of stakeholders, including train operators, Network Rail, local authorities and local users working in partnership.

Mr. David Drew (Stroud) (Lab/Co-op): The Minister referred to local authorities and stations. Obviously, a key issue is station reopenings or, indeed, openings. Local authorities often put money forward with the rail authorities for that to happen as such action is expensive. Some new designs for platforms are being produced. Is the Department for Transport encouraging such designs and does it regard that as helpful research?

Charlotte Atkins: We always want to ensure that stations are accessible. Many issues concern the inaccessibility of stations, especially when we are discussing tourist lines. It is difficult to make arrangements for people with access difficulties at local stations, so we are keen to make sure that we make stations far more fit for purpose.

Although the characteristics of the 56 proposed routes vary, they all have the scope for greater community support and greater development. The strategy is designed to improve the value for money and social value of the lines in three broad ways, the first of which is through increasing patronage and income. There are many ways in which that can be achieved, such as raising the profile of the railway within the local community and through better marketing. There is a latent demand to be tapped, as demonstrated by the Bittern line partnership in Norfolk, where passenger numbers have increased by 162 per cent. since the establishment of the partnership.

Mrs. May: The Minister refers specifically to the desire to increase patronage on potential community railway lines. At the moment, the Government's policy, as exercised through the SRA and Network Rail in the operation of franchises and timetabling, gives emphasis to long-distance services and is leading to a reduction in services on local branch lines and commuter lines. When will the Government reverse that policy? Without that reversal, she cannot hope to have the increase in patronage that she is talking about.

Charlotte Atkins: I agree that there have been issues about the inter-city lines, for instance, taking precedence over local lines and I know that many Members have raised that matter, including in my area. We are looking at that.

As the right hon. Lady has jumped up at this point, I will take on board the issues that she raised about the Twyford to Henley-on-Thames and Maidenhead-Marlow branch lines. She talked of the strategy being imposed on her local community. I assure her that local consultation will take place prior to the designation of any lines. We believe that there is scope for some operational improvements in Marlow in particular, where the current signalling is restrictive. By designating it a community railway, there is a real opportunity to make that a priority for attention. However, I want to make it clear to her and to other hon. Members who raised the issue that it will be down to local consultation and if the local community does not want such a designation, it does not have to happen.

Returning to the points that I was making, the second key issue is to drive down costs. The key drivers of cost on the railway are the maintenance and renewal of the infrastructure, the lease charges for trains, and staff costs. There is scope for reducing those outgoings on community lines through track maintenance strategies more closely aligned to the needs of the routes, through better use of rolling stock and competitive pressure in the rolling stock market, and through training staff with a variety of skills.

Assessing the exact costs of community rail routes is difficult because almost all routes are part of a larger network. More work is required on that issue and it will be carried out through seven pilot projects that the SRA has identified, including as my hon. Friend the Member for Scarborough and Whitby mentioned, the Esk valley line from Middlesbrough to Whitby, which runs through his constituency. That work will necessarily involve the support of Network Rail and the Office of Rail Regulation.

Thirdly, the strategy relies on greater community involvement. That includes the industry working with local authorities and local users, and the establishment of community rail partnerships. Those are not-for-profit organisations that include local authorities, rail users, the train operator and often Network Rail. Some may also include local businesses, national park authorities or other local stakeholders. They are established by mutual agreement and run by a committee of the stakeholders.

Hon. Members have raised a number of issues. One of the issues raised by my hon. Friend the Member for Amber Valley (Judy Mallaber) related to the Countryside Agency. The Countryside Agency has funded ACoRP as a rural transport partnership project since 2000–01. A number of Members raised issues about the future of rural transport partnerships and that programme. The programme was never intended as an initiative that would last for all time. Existing commitments will be met until the end of March 2006. At that point, the Countryside Agency will hand over its decision making to regional development agencies. Each RDA will determine the priorities for its region and will certainly give priority to such rural initiatives.

Mr. Boris Johnson (Henley) (Con): On the subject of local community involvement, a question has formed in my mind relating to something the Minister said. If a community suspects that a community railway project is a back-door way of closing a line and that the cuts in subsidy entailed by the SRA paper will have that effect,

[Mr. Boris Johnson]

how can it set about rejecting it? The Minister said that if, after consultation, a local community wants to reject it, it may do so; how, exactly, can that come about?

Charlotte Atkins: If there is no local support, that will become clear during the local consultation process. Community railways cannot work unless they are actively supported by the local community. If that support is not forthcoming, they will not be able to proceed.

Lawrie Quinn: The hon. Member for Henley (Mr. Johnson) intervened when the Minister was talking about continuity funding and the Countryside Agency. Did she say that that will be guaranteed until 2006, and what mechanisms does she envisage will be in place with regard to the more piecemeal negotiations with the regional development agencies for future funding?

Charlotte Atkins: With the ending of the Countryside Agency's responsibility, a number of programmes will be passed over to the regional development agencies. They will take responsibility for the rural funding and for developing the valuable initiatives developed by the Countryside Agency, such as the village partnership schemes and the rural transport moneys that go to parish councils.

The strategy provides a framework for all these developments to take place. A route prospectus will be prepared for each community rail line to identify the opportunities for development, and any constraints on that, as well as the suggested time scale for implementation. The plan will be consistent with the SRA's programme of route utilisation strategies and regional planning assessments and, prior to publication, it will be discussed with all the key stakeholders, including the community rail partnership or the rail development company. An agreed plan, along with the associated consultation, will be a prerequisite to the formal designation of routes as community rail lines.

None of what is proposed in the strategy will change the principles of railway operation, and the safe operation of services will remain the overriding concern. However, designation of a route will allow for a reappraisal of the standards for infrastructure renewal and maintenance to ensure that they are appropriately specified for the route in question and to allow for a reduction in costs.

The specification of service levels will remain the responsibility of the funding body—in most cases the SRA or, in time, the Department for Transport. However, in the case of microfranchises, that body may be a local or regional authority. In both cases, the specification of service levels should be made in conjunction with the local community.

The regulatory cap on fares will be removed from community rail lines so that they can be determined locally in light of demand and, where appropriate, integrated with bus fares. Local promotional fares will be encouraged, as will improved methods of revenue protection.

The implementation of the strategy will at first be focused on the seven pilot projects. They have been chosen for their differing natures in order to demonstrate and test various aspects of the strategy. The detailed proposals for each line will be confirmed following local consultation and discussion with local authorities and the community rail partnership or railway development company.

This has been a useful debate, and I am grateful to Members for their contributions. I will write to Members who raised detailed points to ensure that they get a full response.

Waterways Museums

11 am

Mr. Andrew Miller (Ellesmere Port and Neston) (Lab): We now move on to an earlier form of transport, which the hon. Member for West Derbyshire (Mr. McLoughlin) missed out of his list of the things that are happening today.

I welcome the opportunity to have this debate and thank my hon. Friend the Member for Gloucester (Mr. Dhanda) for his interest in it. With your permission, Mr. Deputy Speaker, I shall allow him a couple of minutes to make points about the Gloucester museum; he has spoken to the Minister about that. I also thank the hon. Member for Daventry (Mr. Boswell) for his support today. He represents a constituency that is the home not only of Formula 1, but of the Stoke Bruerne museum. The hon. Member for Mid-Worcestershire (Mr. Luff), my right hon. Friend the Member for Birkenhead (Mr. Field) and my hon. Friends the Members for Stroud (Mr. Drew) and for Wirral, South (Mr. Chapman) have also indicated their support.

The Boat museum, the National Water Maze museum and the Canal museum hold the UK's inland waterways collection, which includes the world's largest collection of historic inland waterway craft. That historic fleet is the greatest conservation liability: in a recent condition survey, more than half the boats were reported as being in a poor or very poor condition, and many more need restoration to bring them back to conservation condition. The broad beam barges are the rarest and at greatest risk, as they are much less common than narrow boats. The collection represents about 90 per cent. of the UK inland waterways collection—some 14,500 objects, including 80 historic inland waterways craft. It is the largest such collection in the world.

The Waterways Trust manages and co-ordinates the waterways archive, which holds 80,000 records at Gloucester docks, Ellesmere Port and 13 local authority public records offices. Together, the collections and archive records provide the most comprehensive and complete record of the social, economic, technological and cultural story of inland waterways from the 18th to the 21st century. I hope that my right hon. Friend the Minister agrees that the collection is of national importance and that, whoever picks up the bill, it must be preserved and available to the public. It represents an important part of our national heritage.

Mr. Frank Field (Birkenhead) (Lab): May I emphasise how widespread the interest is in this debate? I have had correspondence from people in Birkenhead who, although they do not have an immediate relationship to such a site, are passionately interested in the issue and the outcome of the debate.

Mr. Miller: The canal network provides not only an important piece of Britain's heritage, but a superb leisure resource, and the museums that I am talking about today provide a very important educational resource. My right hon. Friend is absolutely right: there is interest right across the country, including from you, Mr. Deputy Speaker, although I know you have to be neutral today.

The museums attract about 100,000 visitors per annum, generating £1 million in gross income from admissions and trading—retail, catering, boat trips and so on. However, that is not enough to cover the responsibility, which I touched on earlier, to conserve and interpret the collections. The museums do not receive core funding from the Government, but receive generous support, worth about £4.50 per visitor, from British Waterways.

I hope that my right hon. Friend the Minister will correct the comments made by Lord McIntosh of Haringey, who said:

> "The implication of some of these questions is that there is no government funding for the Waterways Museums. That is not the case. The British Waterways Board gives the museums £750,000 a year, which comes from its Defra funding."—[*Official Report, House of Lords*, 4 November 2004; Vol. 666, c.430.]

As my right hon. Friend the Minister knows, British Waterways provides the trust with £890,000 a year, of which £450,000—not £750,000—is for the museums. That funding is not really from DEFRA, but is sourced from British Waterways' commercial income. British Waterways also provides premises free of charge at Gloucester and Stoke Bruerne. At Ellesmere Port, the local authority provides the site without charge.

The Waterways Trust has financed the annual deficit of more than £60,000 a year for the past four years. Sponsorship from British Waterways is topped up by revenue earned from admissions—some £350,000 a year—and secondary business in catering, retail and boat trips, which is worth about £100,000 a year. In addition, one-off discretionary grants are received from regional development agencies and local authorities. My very small local authority of Ellesmere Port and Neston gives a grant of £7,000 a year and Cheshire county council gives £3,000 a year. Small grants such as that are also important. However, despite being designated as nationally and internationally important, the inland waterways collection receives no direct Government funding, in contrast with the National Railway museum, the National Maritime museum and the National Coal Mining museum, all of which receive Government subsidies worth between £8 and £19 per visitor and offer free admission.

In the past three years, changes in Government policy have worked against the financial stability of the waterways museums, which has resulted in the loss of about £200,000 a year in income. That is the focus of our case. The impact on the market of free entry, which is very much welcomed by visitors to museums and a great credit to the Government, must be addressed.

Competition from the free-entry museums was paralleled by a serious decline in visitor numbers at the three sites of 11 per cent. overall and 19 per cent. at Ellesmere Port in the year after free entry was implemented. Numbers have drifted lower in subsequent years and have just dipped below 100,000 visitors a year. That has had a major impact. Designation challenge funding, which provided the waterways museums with £100,000 a year for three years, although not dead, does not provide core funding and I understand that there has been recent correspondence about that.

The waterways museums have been successful in raising capital grants—nearly £4 million since 1999—and generating their own income of about £1 million a

[Mr. Miller]

year gross. They make a significant contribution to the local economy. Spend per visit is about £9 to the museum and about as much again to the local area. More than 10 per cent. of visits are education based and, having looked carefully at the quality of the material and its historical importance, I am convinced that that number could grow and that the relationship between our museums and the education sector could be strengthened.

Mr. Tim Boswell (Daventry) (Con): I find myself entirely in sympathy with the hon. Gentleman's comments. Does he agree that the particular and almost unique character of the waterways museums is that they provide a fascinating insight to our economic and social history, which includes some quite under-privileged people, and the wider environmental impact of the canals?

Mr. Miller: I could not agree more. Not only have the museums had an enormous impact on the development of our industrial heritage, but they have left a legacy that has an impact on society today to a degree that we take for granted. It is extraordinary that we have this fantastic resource in the United Kingdom, but allow it to go into decline. British Waterways has done some fantastic work, with Government support, to help to restore some canals, particularly for leisure purposes. A lot more can be done that will be beneficial to communities throughout the country—not just in the three locations where the museums are. There is a huge job to be done by my right hon. Friend's Department, in liaison with the Department for Environment, Food and Rural Affairs and the Department for Education and Skills, to ensure that society gets the best from this fantastic resource.

The museums cannot sustain their position with the loss of income that I have mentioned and a critical point has been reached. Some £1.1 million per annum is needed for the next 10 years for the maintenance of the collection, to address conservation arrears and to enable the museums to offer free entry to all. Free entry sounds like a decline in income, but in my judgment and that of the experts on the trust it will generate a stimulus to visitor numbers. The nationally and internationally important designated inland waterways collection should by funded by the Government in the same way as other national collections, such as the railway, maritime and coal museums.

New investment in the waterways museums can do much to help them to develop as centres of excellence for education, cultural tourism and public enjoyment. The museums have the capacity to double their visitor numbers and an economic value of about £1.8 million could become as much as £3.6 million, split roughly 40–40–20 between Ellesmere Port, Gloucester and the Daventry, Northamptonshire, location. Without action, these museums and the many treasures that they hold could be lost, which would be a huge tragedy.

The museums have the capacity to increase their secondary income from catering, retail and boat trips, but real growth will come once they have secured the future of the collections, which are the basis of their future attractions, and become centres of excellence for conservation and learning. It is calculated that free entry alone will increase visitor numbers by as much as 50 per cent. We know that people will naturally and more readily go through the door if somewhere is free of charge than if there is a barrier of a charge on entry. The evidence is reasonably clear that where that approach is adopted, revenue generation can be increased substantially.

During the years in which I have represented my constituency, which you know better than most people in the Chamber, Mr. Deputy Speaker, I have been arguing passionately for stronger cultural and tourism links between the museum and the fantastic city of Chester. I firmly believe that there is a real commercial market out there for getting our American cousins and Japanese visitors, who come in their tens of thousands to the great city of Chester, to come and enjoy the boat museum. If any commercial tour operators are listening to the debate, I commend that idea to them, because there is the basis for a commercial operation.

Mr. David Drew (Stroud) (Lab/Co-op): This is not tangential, but vital. Will my hon. Friend also pay due regard to the Waterways Trust for the campaigns it has run, which are all to do with seeing the heritage and wanting canals to be reopened so that people can continue to live the life of the canals?

Mr. Miller: I agree with that sentiment entirely. Some restoration work on the canals that I have seen throughout the country—for example, in my hon. Friend's area, in Wiltshire and in Northamptonshire—is splendid and has undoubtedly raised public awareness of the subject. In itself, that can act as a magnet to encourage people to dig a bit further. Properly structured museums that are tailored around that important educational niche can provide potential income for those museums and do a service to our young people. As I suggested, some imaginative tourism enterprises could be developed around the museums and the surrounding waterways.

My right hon. Friend the Minister may not be in a position to say yes—which is the word we are looking for—to all the demands being placed on her today, but in introducing the debate and before, with your permission, Mr. Deputy Speaker, allowing my hon. Friend the Member for Gloucester to speak, I must say that I hope my right hon. Friend the Minister agrees to work with colleagues in the Chamber, and, as my right hon. Friend the Member for Birkenhead said, with the many other colleagues from throughout the country who are interested in this aspect of heritage, to find a practical way forward in the interests of our national heritage.

The nation's industrial heritage—built as it is on sea-going vessels, coal and the railways—has another important strand, which is that of the canals. We should never forget the importance of the canal network in the development of this nation. It would be a tragedy if those collections were broken up or allowed to deteriorate, and I urge my right hon. Friend to do her best to help to deliver what we seek.

Mr. Deputy Speaker: The hon. Member for Gloucester (Mr. Dhanda) has rightly sought the approval of the Member who introduced the debate, the Minister and the Chair to participate briefly in this half-hour debate. I call Mr. Dhanda.

11.18 am

Mr. Parmjit Dhanda (Gloucester) (Lab): Thank you, Mr. Deputy Speaker. I shall try to keep my contribution to no more than about 60 seconds, because I want to give the Minister time to reply. I concur with everything that my hon. Friend the Member for Ellesmere Port and Neston (Mr. Miller) said. We have been working on the issue for some time and I am pleased that the debate is taking place.

I also wish to thank some people, not least Roger Hanbury of the National Waterways museum, for everything that we have tried to do together on the issue. I am sure that my hon. Friend the Member for Stroud (Mr. Drew) will join me in thanking the docks historian and secretary of Friends of the National Waterways Museum, Hugh Conway-Jones, for the work that he has done with us, as well as volunteers such as Audrey Fielding and many other constituents. The key thing for us in Gloucester, in Daventry and in Ellesmere Port is to ensure that the National Waterways museum can continue and can compete.

We welcome the Government's decision to introduce free entry to museums. At the same time, we are concerned about the difference in subsidy between our National Waterways museum and the national railway, maritime and mining museums. I hope that my right hon. Friend the Minister will consider seriously this request for an additional £1.1 million. In Gloucester, that money is important not only for our heritage. More than £1 billion is flowing into Gloucester docks for regeneration and we want to be able to remind the next generation—because of tourism and education and because of their history—why Gloucester docks are so important. A waterways museum is a key part of achieving that.

11.20 am

The Minister for the Arts (Estelle Morris): First, I congratulate my hon. Friend the Member for Ellesmere Port and Neston (Mr. Miller), my right hon. Friend the Member for Birkenhead (Mr. Field), the hon. Member for Daventry (Mr. Boswell) and my hon. Friend the Member for Gloucester (Mr. Dhanda), who have spoken in the debate. I acknowledge the importance of the issue, the huge campaign that has taken place during the past 12 months and the support for what is being asked of the Government today.

In some ways, the description that my hon. Friend the Member for Ellesmere Port and Neston gave of the significance of the waterways museums is a timely reminder of the importance of museums to our national life. They have an ability to contribute to education, remind us about our past, enable us to understand our present and shape our future, and take a key role in regeneration. All museums across the nation play that role in the life of the nation and communities, although that sometimes goes unrecognised. To some extent, the work that hon. Members and others have done in bringing the needs of the waterways museums to the nation's attention is a timely reminder of the significance of those museums.

I am not here to argue against the needs of the waterways museums, to take away from the work that they have done or to fail to acknowledge their determination, effort and achievements to date. That goes without saying; I know that they are important. It is imperative that the collections that they hold are preserved, conserved and improved to ensure that not only our constituents, but their children and grandchildren, can understand the importance of waterways and the museums to our nation's development. For the sake of putting it on the record, I want to confirm the special place that they have in our nation. They provide the most comprehensive and complete record of the social, economic, technological and cultural story of inland waterways from the 18th century until now. As we have regenerated canals and waterways, the story is not yet finished; there is another story to be told.

That is the good news. I have no difference of opinion over the importance of waterways museums, but let me be honest about the dilemma in which the Government find themselves. We are talking about a strange sector, in that it is not a planned sector. The Government have no control over how many museums are started. Every year, there are people who feel that they have a collection that they want to show to others and preserve for posterity, and they start a museum in their own home—such museums exist. People might hire a small shop front and they have their museum. However, the Government can never respond to that haphazard growth in the number of museums by funding every one of them. I do not think anyone would expect us to do so.

Other things that are important to the nation, such as schools or hospitals, involve planned growth and planned arrival of resources—revenue and capital—to support them. The dilemma in which I find myself, as the Minister who is meant to be supporting the museums, is that they grow haphazardly and our budget does not grow to meet those needs. The result is that our funding structure, in which we give money to the museums, is sometimes not rational.

This is a matter not of choosing the museums that are the most beneficial or most important to the nation and deciding to fund them, but of doing what we can, taking into account custom and history, and making the best of a museum sector that is both nationally funded and funded by local authorities, as well as by industry and trusts, but funded by no one independent museum itself.

As hon. Members know, the Government have a direct responsibility to fund and care for a number of national museums. They are all set up in statute; there is a law of this land, passed by these Houses of Parliament, that gives them the status of national museum. This is not rational, however. They are the big museums that we all know about and they are often in London. The story of how they got to be national museums is also one of this nation's history and of the things that it valued in the past.

We inherit an obligation to fund those national museums, but it is very expensive to do so. We take on our obligations, however, and £284 million a year goes into funding those museums. The extra money that we have been able to put in has ensured that the collections are looked after and are world beaters. We should be immensely proud of them.

[Estelle Morris]

The bottom line, however, is that the Government are not in a position to add to the list year in, year out. We simply do not have the money to do that. If we were to do it, we would be splitting the money—that increased amount that the Government receive from the Treasury for national museums—among more museums, and the consequence would be less money for each museum and poorer collections. I would then have to reply to lots of Adjournment debates on why national museums were getting less than before.

I do not use that as an excuse; it is the truth. That is the dilemma that we face all the time. Therefore, I cannot say that we hope to take the museums on as a national museum. That is not to say that they do not have an important national collection, but having an important national collection is not the same as being a national museum. These are not the only museums that claim to have an important national collection and that want to join the national museums list. Without thinking very hard, I could name three other museums that believe they have national collections and that want to be added to the list in the run-up to the spending review. The Government have not embarked on inviting applications to the list.

Mr. Miller *rose—*

Estelle Morris: I will give way, but let me say a few more things. I am afraid I shall run out of time and not be able to put them on the record.

The Government acknowledge that to set things in stone—to say that the list of museums that get all the money is closed for ever and a day—is not helpful to the good work that museums do. Hon. Members will be aware of two things that have happened. First, the Government are putting money into regional museums through the renaissance in the regions programme—£45 million by 2007–08. There will be opportunities for museums, including the waterways museums, to join the clusters of museums that are included in that programme—perhaps not now, but the Government hope that that funding stream will increase as the years go by.

As my hon. Friend the Member for Ellesmere Port and Neston said, the waterways museums have had designated funding of £300,000 over three years. Bidding will open again for such funding in 2006, and the waterways museums will be able to take part. I acknowledge that that does not come anywhere near meeting the £1.1 million revenue costs that the museums need—not to survive, but to improve.

My hon. Friend will know that we have asked the Museums, Libraries and Archives Council to work with the Museums Association to see what can be done. We have taken that approach in a few other examples. In the north-west, it has already brought in—not a lot—£50,000 from an overseas organisation.

Hon. Members are bound to ask that certain museums be allowed to join the list of national museums, as achieving that is a copper-bottomed guarantee that revenue and capital will be provided. They should continue to make such requests, but should not expect that to happen in the next few years. I invite them to continue to work with us so that we are aware of wishes to join the list, but they should not turn their back on other innovative ways of funding museums. To some extent, we are in this together, and we will do as much as we can to work with the waterways museums through the MLAC.

Mr. Miller: I accept what my right hon. Friend says, but I ask her to consider the time scale and conservation needs.

Estelle Morris: I will do that. In fact, I hope that that will form part of the conversations with the MLAC and that, as designation challenge funding comes up again, we can ensure that the collections are preserved. That is what I want and what the nation is entitled to expect.

Mr. Deputy Speaker: That was an excellent short debate.

11.29 am

Sitting suspended until Two o'clock.

Immigration and Asylum

2 pm

Mr. Andrew Turner (Isle of Wight) (Con): Thank you, Mr. Deputy Speaker, for giving me the opportunity to raise such an important issue this afternoon. As opinion poll evidence shows, which I shall quote in a moment, our electors believe that immigration and asylum is one of the most important matters that affects society. The unprecedented level of immigration into this country is accompanied by a range of consequences, such as the polarisation of residents from 1 per cent. ethnic minorities in the New Forest district to more than 50 per cent. in Newham.

Our failure to integrate ethnic minorities has led to the creation of an ethnic vote, which has been long exploited by Labour in our inner cities and brilliantly so against Labour during the Leicester, South by-election. It was put into overdrive by the Minister for Energy and E-Commerce in his recent attempt to whip up Muslim sectarian feeling against my right hon. and learned Friend the Member for Folkestone and Hythe (Mr. Howard), the Leader of the Opposition. The effect of the failure to integrate ethnic minorities is the creation of areas in our cities in which the English language is alien and the British culture subordinate. In the words of the Government's community cohesion panel, which reported in July 2004:

"There are . . . concerns about the speed at which newcomers can be accommodated . . . The identity of the host community will be challenged . . . The 'pace of change' (for a variety of reasons) is simply too great in some areas at present."

My first question concerns whether the Government encourage integration or multiculturalism.

Another objection people have to the high level of immigration is the apparently unfair treatment of the majority community. That was exemplified most recently by the different treatment by the Birmingham Repertory theatre and the BBC of the plays "Behtzi" and "Jerry Springer—the Opera", which were perceived as deeply offensive to the Sikh and Christian religions respectively.

While we are about it, on 26 December, *The Sunday Times* reported:

"The Inland Revenue is considering recognising polygamy for some religious groups for tax purposes. Officials have agreed to examine 'family friendly' representations from Muslims who take up to four wives under sharia, the laws derived from the Koran."

Perhaps the Minister is in a position to tell us that that was a Boxing day joke. It is not surprising that, when people consider that it might be racist to oppose such culturally unfamiliar concepts, they say that they are not ashamed of being called racist. People vote for extremist parties, and parties that while not extremist, are robustly unafraid of addressing race and immigration. Those are some of the consequences.

The final consequence is the huge pressure of overcrowding on public services and housing, in particular, in London and the south-east of England. Let no one say that such issues are not widely recognised. A YouGov poll showed that 74 per cent. of people believed that too many immigrants are coming into Britain. As *The Economist* put it a month ago today:

"Londoners, young people and the middle classes can normally be counted on to hold more liberal views, but not, it seems, when it comes to immigration. Their sentiments are virtually identical . . . A Eurobarometer poll earlier this year"—

last year, that is—

"found that 41 per cent. saw immigration as one of the two biggest problems faced by the nation."

Of course, the Prime Minister—ever ready to launch an eye-catching initiative—was not far behind. On 19 December, *The Guardian* reported:

"Blair looks at points plan to outflank Tories on migrants . . . Blair and his election co-ordinator, Alan Milburn, are said to be determined to show that asylum and immigration are under control . . . Sources said . . . 'We can't just sit there and say "It's all fine."—we look like an incumbent government that is just complacent. There is absolutely no desire to get tough just for the sake of it'."

My second question to the Minister concerns whether he is planning to get tough. If so, is that because he thinks that it is necessary to get tough or will he do so just to impress a concerned electorate? If he gets tough, what will he do to cut the numbers of migrants to these islands?

Pressure on housing is overwhelming. Just before Christmas, I heard of a proposal to build between 14,000 and 27,000 new houses in my constituency, which would increase its population by 25 per cent. They would be part of the 1.2 million houses designated by the Office of the Deputy Prime Minister for the south-east and eastern regions. Those proposals are causing untold anguish and conflict, as well as the necessity for massive public and private infrastructure investment. They have, of course, been rejected both by the South East England and the East of England regional assemblies.

The proposals coincided with the admission by the Government for the first time that immigration will increase the number of households in England by 1.2 million over 20 years to 2021. That figure comes from a written answer in the House of Lords. That is double the previous estimate of fewer than 600,000, which was based on 1996 projections of migrant numbers. One in every three new households a year—that is 60,000—will be formed due to international migration; 55 per cent. will be in the three Euro regions of London, the south-east and the east. That is one of the most crowded areas in Europe. The rate of new household formation in London will be doubled from 26,000 a year to 46,000 a year.

Sir Andrew Green, chairman of MigrationWatch UK, stated:

"It is completely irresponsible for the Government to promote immigration without taking account of the resultant intense pressure on housing and public services."

Therefore, my third question to the Minister is whether the effect on demand for housing was taken into account when formulating the Government's immigration policy. Do the Government accept that the consequence of increasing immigration is increasing pressure on housing in the south and east of England?

Of course, we are not only talking about housing; other services are put under considerable pressure. There are some schools in London in which more than half of the pupils in the first year do not speak English.

[Mr. Andrew Turner]

The Government do not collect those statistics, but some local authorities do. The Government do not know how many pupils at the age of five are able to be taught through the medium of English in our schools.

There is pressure on hospitals and all the other public services. My constituents cannot get a dentist. Today, I received an e-mail from a friend in north Nottinghamshire who told me the same. He cannot get a dentist in that part of the world. That consequence cannot be detached from the large additional numbers of people depending on our public services.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I am interested in this line about dentistry. Does the hon. Gentleman think that the decision of the previous Conservative Government to cut the number of dentists that we trained 10 years ago might have had a bearing on the availability of dentistry services for his constituents, in addition to any issues raised as a result of immigrants?

Mr. Turner: It has had no effect whatsoever on the number of consumers of dental services. This Government, who have been in power since 1997, were aware of the previous provision for dental training when they took the decision to increase massively the number of people coming to this country.

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): If I heard the hon. Gentleman correctly, he told us at the start of his speech that what he described as the immigrant population of his constituency was about 1 per cent. Does he seriously suggest that such a small proportion could have the effect on the dental services in the Isle of Wight that he seems to blame upon it?

Mr. Turner: Actually, I was talking about the population of a constituency on the mainland. The point is that people move. People are moving out of London to the rest of the south-east as more and more migrants move to London. People are also moving out of the south-east to constituencies such as Isle of Wight and those in the New Forest as more and more people move out of London to the surrounding counties. There is a knock-on effect; that is how I would describe it.

The Minister for Citizenship and Immigration (Mr. Desmond Browne): We should dwell on the point that my hon. Friend raised with the hon. Gentleman. The hon. Gentleman prayed in aid the absence of dental provision in his constituency, saying that it was a consequence of the Government's migration policy. Perhaps he could explain to those of us involved in the debate the profile of population movements in the Isle of Wight and how it relates to the Government's migration policy, so we can be reassured that the argument that he has advanced is germane to the debate.

Mr. Turner: There is additional pressure on all public services as a result of there being more people in all parts of this country. I was going to ask why has there been such a massive increase in demand for public services, particularly housing.

The Government have, as a matter of policy, allowed a huge escalation in migration. According to the Office for National Statistics, net migration to this country has risen sharply since the Government took office. In the years 1994 to 1997, the figures were 78,000, 48,000, 39,000 and 75,000, but from 1998 the annual net inflows were 100,000, 133,000, 176,000, 172,000, 153,000 and 151,000 respectively. Those figures no longer refer mostly to asylum seekers. Although asylum is still a problem, the number of regular migrants to the UK has, according to figures given to my hon. Friend the Member for Romford (Mr. Rosindell) on 11 November, increased, with a dip only in the election year 2001, more or less regularly from 58,000 in 1997 to 140,000 in 2003.

Mr. Gwyn Prosser (Dover) (Lab): On the question of public services, particularly the national health service, we have heard a lot about numbers, but have we heard anything about the contribution that the migrant population plays in running those essential public services? Would not we be at a loss to run the public services we have today without them?

Mr. Turner: The hon. Gentleman will hear much more about that. My dentist is South African and I understand perfectly the contribution that migrants make to running the public services. However, not all of them do so and I will demonstrate how many in a moment.

Fourthly, was the growth of immigration from 1997 accidental or intentional? What was the justification for the growth that the Government put in train? Are the figures that I have already quoted good enough? The Government Actuary's revised projection of an inflow of 130,000 a year is 28,000 below the average for the past five years, so one wonders how he reached that projection. He takes no account of recent Government policies that are designed to stimulate immigration or of illegal entrants—about 50,000 of whom are detected, so it is likely that a similar number will succeed and add another 500,000 people to each decade of the population estimates—and he takes no account of overstayers. Some 70 per cent. of those refused asylum stay in Britain. There are simply too many scams that the Government seem unable to stem; they lack the will to inquire, the determination to act and the power to succeed.

I shall give some examples of those scams. The first is the student scam. Home Office immigration statistics document, Cm 633, suggests that the number of students who are allowed to extend their stay is so great that it amounts to another beck door into the country. In the years 2001–2003 alone 27,000 Jamaicans had their student visas extended, even though only 1,690 had been admitted and there were supposedly only 780 students here in the first place. Overall during that period, there was a 48 per cent. increase in student extensions and it is evident from the detailed statistics that extensions are most frequently sought by and granted to nationals of the poorer countries that generate most economic migrants.

Fifthly, how does the Minister explain the huge dissonance between the number of students and the number of extensions from each country? What is he doing to plug that apparent loophole?

The second scam is the work permit scam. The so-called sector-based scheme was set up to permit unskilled young people from outside Europe to take up temporary employment in the food and hospitality industries for up to 12 months. Some 10,000 such permits were allocated to Bangladesh and the quota was filled within three weeks. The Immigration Advisory Service said in July last year that

"there is chaos in Bangladesh with disturbences, a sports stadium having to be hired to issue tickets for interviews, and a suspension of the scheme in April".

The administrative cost of that scheme must have been colossal. However, more importantly, why was the scheme set up in the first place? Unemployment among young Bangladeshis already in Britain is 50 per cent. As Sir Andrew Green said:

"Surely the people already here should be offered these jobs, or should be trained to do them, before we add still further to immigration . . . . There is absolutely no check on departure. This could well be just another example of immigration by the back door."

My sixth question to the Minister is about why his former boss, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), said on 6 April 2004 that there was a need for immigrants to fill 60,000 catering vacancies in London. Why did Bangladesh receive an allocation under the food and hospitality sector-based scheme when many British Bangladeshis are unemployed and 75 million new EU citizens are eligible to work here? What was the cost of administering that element of the scheme?

Finally, I turn to the effect of arranged marriages. One of this Government's first decisions was to abolish the primary purpose rule, which was designed to ensure that marriage took place between people who wished to spend their lives together, and not as a cover for immigration. Two ill effects have come from that decision. First, it has led to the abuse of the immigration process—and I define it as a scam to that extent. Secondly, it has perpetuated the division of communities on racial lines, and that is not a scam but a danger.

There are about 20,000 arranged marriages a year involving people from the Indian subcontinent, and young Asians in this country come under considerable pressure to undertake such marriages. A failed arranged marriage can mean not one but two people having the right of abode in the UK, each able to bring in another spouse in future. Even assuming that such marriages are genuine and sustained, they involve more rapid population growth than when both parties are from the United Kingdom. As Lord Ousely has reported:

"About 1,000 Bradfordian Muslims marry each year. If most of those marriages were internal to this country, it would lead to 500 new households which would be likely to average 4 children per household . . . With 60 per cent. of marriages involving a spouse from overseas, the number of households goes up to 800 and . . . family size is likely to be significantly larger . . . This leads to very rapid population growth",

which,

"concentrated in particular areas puts severe demands on the public services."

Furthermore, as fewer children are brought up in English-speaking households, fewer are ready for English-medium schools and fewer families integrate into the local English community, if one remains.

The course adopted by Denmark and Norway, two countries of impeccably liberal traditions, is to tighten the rules for the admission of spouses and long-term cohabitants to ensure that both parties enter into their unions maturely—over the age of 24—and willingly; arranged yes, forced no. Secondly, in Denmark such marriages have to have a long-term stake in Danish society and be financially secure enough to support themselves. Thirdly and most importantly, to ensure that they remain together, permanent residence is granted only when the couple have lived together in Denmark for seven years. That system produced a 27 per cent. drop in the number of applications in the six months after it was introduced. My penultimate question to the Minister is whether he will consider what elements of the Danish system could be adopted to prevent abuse and to promote community cohesion.

Mr. Browne: On that very point, I should like to ensure that a full picture of the Danish system is given. The hon. Gentleman may know that more than 1,000 couples of mixed nationality, including one Danish person, live in Malmo or the surrounding area in Sweden and commute daily to work in Denmark. The number of mixed nationality couples in Sweden is increasing at a rate of 60 a month, which is an unattractive consequence of the very policy towards which the hon. Gentleman is driving us.

Mr. Turner: I am grateful to the Minister for that information. The bulk of the statistics that I quoted come from MigrationWatch UK, which has established an estimable reputation for objective measurement and observation of this important matter. In the past, the Government have slagged off its statistics as being unreliable. Fortunately, an unnamed civil servant said in an internal Home Office e-mail on 29 July 2003:

"I have made this point many times before but can we please stop saying that Migrationwatch forecasts are wrong. I have pointed out before that Migrationwatch assumptions are often below the Government Actuarys Departments high migration variant."

My final question to the Minister is to ask him whether he still believes that there is something wrong with MigrationWatch UK's forecasts and statistics.

If we are to persuade the people of Britain, of all colours and creeds and, particularly, those who have such long-standing connections with this country that they have nowhere else to go, that we really are interested in their welfare, we must take action on all the fronts that I have described. If we do not debate the topic, we leave it to be debated behind closed doors on the basis of rumour and mystery. If we debate it openly and discuss it honestly, we stand a chance of making sensible decisions on how to deal with the issue which is of such concern to our constituents. If we do not, we risk driving them more and more into the hands of parties less scrupulous than those represented in this Chamber.

2.22 pm

Mr. Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): I would like to take the opportunity presented by this debate today to raise one aspect of the immigration rules: visa charges for international students attending education in the UK. For the past

[Mr. Mark Lazarowicz]

month or so, I have been trying unsuccessfully to secure an Adjournment debate on the subject, so I am grateful to the hon. Member for Isle of Wight (Mr. Turner) for securing a debate on a topic whose broad remit allows me to concentrate on this specific issue.

Having heard the hon. Gentleman's opening comments, however, I was tempted to divert my comments in another direction. Although he has raised some valid questions, it seems to me that under the guise of telling us that he wants a serious debate on the matter, he is giving circulation to a number of anti-foreigner and anti-immigrant myths about the effect of immigration on public services and so on, which are entirely unacceptable. I shall be interested to see how the more liberal face of conservatism on the Opposition Front Bench distinguishes itself from the comments of the island backwoodsman who introduced the debate.

I shall not digress and will speak to the issue that I want to address and that has been a matter of concern to many organisations involved in higher education in this country, including Universities UK and the British Council. It has been raised directly with me by Edinburgh university students' association and constituents of mine who work in the area. It is particularly relevant to cities, such as Edinburgh, that have a large student population, many of whom come from overseas.

The principle of charging for leave-to-remain visas was introduced in the Immigration and Asylum Act 1999 and, as the Minister knows, there has been recent Home Office consultation on the matter, the outcome of which has not yet been announced. The big problem, as those who have been involved know, is that we charge those already in the UK who require leave-to-remain visas or extensions of such visas, to allow them to complete their studies. The charge is currently £155 or £250, depending on how the application is made, and, under the consultation, it could rise to almost £500.

The proposal is of great concern to the organisations to which I just referred. It certainly risks deterring overseas students from coming here to study. It is widely recognised that it is in the interests of the UK, and not just of the students concerned, that we should encourage international students to come here. In cities such as Edinburgh, overseas students and the economic activity that they bring with them is a major element of the local economy. The Prime Minister himself recognised that when he launched his initiative on international students in 1999 with the objective of attracting more international students to the UK and the long-term aim of generating long-lasting trade and diplomatic links for the UK. He rightly spoke at that time of the important contribution of international students and of the need for greater efforts to be made to attract more of them here.

Many international students do not have to pay the higher charge for visas or visa extensions, but the evidence is that many do. Hon. Members may have received a helpful briefing from Universities UK, which is a highly respected organisation. It states that many entrance clearance officers do not seem to follow the UK Visas guidelines that they should give students leave to remain for the duration of their course plus at least several months when they first make application for a visa. As a result, although students get the benefit of the lower charge when they first apply from outside the UK, they have to renew their visa at the higher charge—Members will understand that that is a potential deterrent to many students—and international students who have gone into higher education from school or from further education, or who decide to remain as research students having completed an undergraduate degree here, may also be hit with the higher charge.

Let me make it clear that I do not object to the principle of requiring those who apply for visas of any type to make a contribution towards the cost of administering the system, just as a UK citizen pays towards the cost of being issued with a passport. However, many organisations that are involved with international students believe that the Home Office would drive away thousands of international students from the UK were it to implement the proposals. To our short-term and long-term detriment, they would likely go to our competitors in Europe and elsewhere.

My hon. Friend the Minister knows that this issue concerns many Members, particularly those such as myself with a significant further and higher education presence in their constituency. More than 70 MPs, including me, have supported the early-day motion of my hon. Friend the Member for Cambridge (Mrs. Campbell). It calls on the Government to grant an exemption from visa charges to international students studying in the UK. Even if the Minister and his colleagues are not prepared to go that far, I hope that they will listen to the concerns that have been raised by Members in this debate and by a wide range of organisations involved in higher education in the UK to try to ensure that we continue to make the UK attractive to the genuine international students, who contribute to our economy, to their education and to the economy of the countries from which they originate.

I value having had a few minutes to put those points. As I indicated to you, Mr. Deputy Speaker, prior to the start of the debate, I hope to take part in the debate in the main Chamber later this afternoon. If by any chance the business in that Chamber were to proceed a bit more rapidly than it is at the moment, I hope that you and other hon. Members will understand why I might leave a little early and before the end of this debate.

Mr. Deputy Speaker (Sir Nicholas Winterton): Before I call the next speaker, I thank the hon. Gentleman for the courtesy of advising us of his situation.

2.30 pm

Mr. John Horam (Orpington) (Con): First, I congratulate my hon. Friend the Member for Isle of Wight (Mr. Turner) on raising the topic today. We ought to congratulate him doubly because, if I recollect accurately, the last time the subject was debated—18 March 2003, also in Westminster Hall—it was he who raised it. I recall that debate well, because I had the pleasure of supporting him then as now.

Clearly, Isle of Wight and Orpington are linked in that one respect. However, my hon. Friend the Member for Woking (Mr. Malins), who is on the Front Bench, pointed out that my hon. Friend the Member for Isle of Wight and I are entirely opposite in that I have gardening down as one of my interests, while my hon. Friend's private interests include absolutely not gardening. But there we are; that is life.

I agree with my hon. Friend the Member for Isle of Wight that this is an important topic that has, I am sad to say, been under-debated recently in the House of Commons, whatever view one takes of it. I agree with him that all the opinion polls show that the matter is of great importance to ordinary citizens. He will be interested to know that that is also shown by a poll that I conducted in my constituency—with exemplary objectivity, I might add. Obviously, I did not know who would reply to my survey. It was not only conducted with exemplary objectivity, but took a very high sample compared with the opinion polls conducted nationally. Such polls usually have about 1,000 or 1,500 replies, but no fewer than 25,000 Orpington citizens received my survey.

The survey absolutely confirmed what my hon. Friend is saying—namely, that the subject is of high importance. Indeed, it came after only crime and antisocial behaviour, which were top—not surprisingly, perhaps. Immigration was second, well ahead of health, education and transport, which would otherwise be considered very important topics. My localised survey entirely confirms my hon. Friend's general impression.

The issue of statistics troubles us on such occasions. I readily admit that the whole business of trying to measure immigration is fraught with difficulty—obviously, there is a great deal of illegal immigration of one kind or another, and it is difficult for statisticians under any Government to capture exactly what is going on—but there have been various attempts to cast more light on the statistics, notably by my hon. Friend the Member for Mid-Sussex (Mr. Soames).

My hon. Friend the Member for Isle of Wight will recall that the last time we had such a debate, my hon. Friend the Member for Mid-Sussex had had an Adjournment debate the day before, in which he tried comprehensively to get at what exactly the figures show—with scant success, I am afraid, as they reveal very little. That is for two reasons. First, it is inherently difficult to get at proper numbers, which I concede. Secondly, and frankly, the Government have created an atmosphere of suspicion about all Government figures because of how they have spun them over the past seven years. The Government are notorious for their spin, and statistics have been no exception to that.

As we know, the Statistics Commission and the Audit Commission have both been extremely critical of the fact that the Government have handled figures in a political way over the last few years, which has done a great disservice to government as a whole, whoever is in power. As a consequence, people have lost confidence in Government figures on this or any other subject.

Mr. Browne: I do not know whether the hon. Gentleman is about to move off the issue, but I cannot let him do so without drawing his attention to what I expect he already knows: in or around July, the Home Office invited the National Audit Office to audit the published immigration statistics. He will of course be aware that the NAO gave those statistics a clean bill of health, although it made a number of interesting and qualifying remarks about them. Consequently, on the basis of his own argument, he can now rely on those figures.

Mr. Horam: I hear what the Minister says, but I remain suspicious of the whole subject, because as the Audit Commission and the Statistics Commission—an independent watchdog—had said previously, the Government handle statistics with considerable political spin.

I have for some time advocated that responsibility for such statistics should be given up by the Government. I am glad that my right hon. Friend the shadow Chancellor has recently taken this up. The responsibility for statistics of this kind—whether they are from the Home Office, the Office for National Statistics or independent bodies or are general Government statistics such as those on waiting lists—should be taken away from the Government and given to Select Committees of the House of Commons.

That would have two advantages. First, the process would be far more open and the Government would not have to make interventions of the sort that the Minister has just made to defend statistics because they would be open and there would be accountability to the House. Secondly, the scrutiny of the Executive by the legislature, which has not been a happy process recently, would be enhanced. We need to improve such matters, and making such a change is one way to do that.

It is inevitable that statistics from organisations such as MigrationWatch have far more credibility than those of the Government because they are making an attempt to take an independent view of the matter. We should be grateful for the views of MigrationWatch because it is making a considerable effort to get a clear picture of what is going on, including the difficult area of illegal immigration. Its figures, which I read from time to time and tend to support, state that there is a net immigration of about 250,000 people every year. Bromley, the borough of which Orpington is a part, has a population of 300,000, so that figure represents about two and half constituencies coming to this country every year, which is a huge proportion of the population.

As my hon. Friend the Member for Isle of Wight said, those immigrants are mainly coming to England, particularly the south-east, and even more particularly to London. I am glad that the hon. Member for Walthamstow (Mr. Gerrard) is here. If he were not, I would be the only London MP present. Perhaps he will have a countervailing view on the matter. I feel that London has a particular problem in this area, which we ought to address.

My hon. Friend the Member for Isle of Wight made such a comprehensive speech that I do not want to cover all the ground, but I must comment on one area, which is the effect on housing. This is a very sore issue in an area such as Bromley, particularly in my own constituency of Orpington. Whole areas of south-east and south-west London have been inhabited for some time by people from other countries. I am thinking of an area of south-west London that is occupied almost exclusively by Koreans. Whole streets of houses are taken up by Koreans, all the local shops are run by Koreans and the schools mainly take Korean pupils. As a consequence, one of my friends has emigrated: he cannot afford to buy a house where his father lives, nor can he afford to get his children to a school or find a

[Mr. Horam]

school to take them, so he has gone to Australia. It is a sad fact that that is happening in this country in this day and age, and it is happening in London.

Mr. Turner: He is welcome in the Isle of Wight.

Mr. Horam: My hon. Friend says that he is welcome in the Isle of Wight, but the housing situation may not be much better there.

Mr. Neil Gerrard (Walthamstow) (Lab): I am interested in what the hon. Gentleman says about someone being unable to afford a house. That indicates that the area has improved immensely as a result of people moving to it.

Mr. Horam: I think the problem is that houses are unavailable to people in that part of London—I am thinking of Morden—because they have been bought up by Koreans, whatever the price, and English people are priced out. That is what is happening—*[Laughter.]* I do not think that it is a very funny matter. That effect percolates throughout London, particularly the south.

The situation is bad and getting worse. A recent report in *The Times* said:

"Immigration is dramatically outpacing official predictions, the Government admitted today. Ministers now believe there will be double the number of foreign households previously predicted. More than half of the new arrivals are expected to settle in London—with serious implications for housing."

That is the point I am making. My own borough has been told by the Office of the Deputy Prime Minister to increase the amount of housing it is putting up, even though it is more or less doing so at its capacity according to its unitary development plan. In December, a report in the local paper stated:

"Senior councillors fear the green belt could be under threat after being told to increase house building.

Planners on Bromley Council have been told by a Government inspector more houses need to be built.

Inspector Ava Wood, who heard the public inquiry over the borough's 10 year unitary development plan (UDP), also said density needs to be upped to fit more homes in."

The report also stated that

"the authority needs to set a target for affordable homes based on need, rather than capacity."

That seems to imply that it should build more than it thinks it can build if the need exists, which is an astonishing position for a Government to take.

We know from the overall position of the ODPM that it received a report by Professor Barber that essentially said, "Predict and provide," and the fact of the matter is that a great part of the prediction is caused by net immigration. My simple view is that if we could control immigration in the way proposed by the Conservative party—there should be a quota for asylum seekers and less encouragement to economic migrants—we would have a lower demand for housing and the possibilities for first-time buyers in the London area would improve.

Mr. Browne: We have not had an opportunity to ask a Member from the hon. Gentleman's party about the specific point of a quota for asylum seekers. Is it his position that if the most deserving case the world had ever seen for refugee status were to arise after the quota was filled we would have to say to that individual, "Go back to the country you have come from and your almost certain death."?

Mr. Horam: Absolutely. Our country is not the only country in the world. There are other destinations that that person could go to. There ought to be a rational way to sort out such situations. As the Minister knows, in recent years we have taken a disproportionate share of all the genuine asylum seekers, and that should not continue.

I strongly agree with the point made by my hon. Friend the Member for Isle of Wight in his third question to the Minister. What are the implications for housing, particularly in the south-east and London, of the current level of immigration? I believe that it is a major factor in creating social and family problems in London, and that it is a cause of immense distress. If we could get it under control in a sensible way, all those linked problems would be alleviated.

Mr. Lazarowicz: I will try to take the hon. Gentleman's arguments at face value. Given what he says about the pressure on housing, if it were possible to do what he suggests—I doubt that it would be— what would be the consequences for the labour market of the failure to allow workers to come to this country to meet the needs of the economy? Would not that have very damaging consequences for his constituency, among many others?

Mr. Horam: The hon. Gentleman makes an interesting point, because economic activity is precisely the ground on which the Liberal Democrats and the Labour Government justified the level of immigration, which they clearly think is acceptable, during the debate on 19 March 2003 in this Chamber, which I have mentioned. The Minister responding to that debate conceded that a lot of such economic activity figures reflect immigration by people such as high flyers in the City of London, rather than the mass of migration that we are talking about. That skews the economic effect of this.

One also ought to take a balanced position. Economic activity is only one part of the equation; the other is the environment and quality of life. We do not measure quality of life simply in terms of our standard of living. In my part of the world, quality of life is deteriorating as a consequence of the amount of development that is being forced on areas of south London by the level of immigration. That is a factor in the overall overdevelopment of areas such as mine. I am surprised that the hon. Member for Edinburgh, North and Leith (Mr. Lazarowicz) does not see that we have to strike a balance between the environment and quality of life on the one hand, and economic activity on the other.

The Government are allowing this to happen and the Liberal Democrats, on the ground of economic activity, do not dissent, but that is mistaken in the short term and damaging in the long. Conservative proposals will not only command respect and support among ordinary people, but they are in the best interests of this country.

2.45 pm

Alistair Burt (North-East Bedfordshire) (Con): I also thank and congratulate my hon. Friend the Member for Isle of Wight (Mr. Turner) on raising the topic. This is an extremely sensitive issue, which, if it is not debated here, is certainly going to be debated on the doorsteps in the months and weeks to come. It requires careful, sensitive handling and difficult questions must be answered. I appreciate the efforts of colleagues to do so in this Chamber.

I do not want to follow the general argument, because I want to deal with a specific area of asylum policy. However, a couple of remarks about the statistics and how policy is put together may have some bearing on the worries that my hon. Friends rightly raised.

I am sure that it will come as no great surprise to the Minister that I want to consider the situation surrounding the Yarl's Wood detention centre in my constituency, particularly the contents of the report by the Prison Service ombudsman on the incident and fire as long ago as St. Valentine's day 2002, but on which the ombudsman was only able to report on 16 November 2004. I am pleased to see the Minister; he bears no criticism for the matters that I will discuss, because he was not in place at that time. Since he has been the Minister responsible for Yarl's Wood, he has treated my requests for information and pleas on behalf of various detainees with nothing but courtesy, speed and dispatch, which I appreciate very much indeed. However, his Department has some considerable explaining to do, which I will make clear.

On 16 November, in an answer on a 450-page report on a highly significant incident in which £100 million of damage was caused and scores of lives were endangered, the then Home Secretary, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), issued a written statement, which I consider wrong. The statement made no admission of Home Office error and no apology for the circumstances, but the report indicates that the role of the Home Office was of immense significance in creating the problems that eventually led to the disaster.

To put this matter into context, I shall quote from the conclusion of the report. The Prison Service ombudsman said:

"The targets underpinning the project were unachievable, the project was conducted under unreasonable time constraints, the design of the building was poor in terms both of construction materials and layout, speed of delivery was given undue prominence in the contract letting process, the contractors never looked likely to complete the construction within the agreed timescale, policies were ill-thought through and were inadequately consulted upon, and the incident that led to the disturbance was mishandled."

That is a damning indictment.

I make six charges that I should like the Home Office to answer in due course. The Government are incompetent at handling a significant policy and they panic under pressure; they waste resources on an epic scale; they are incompetent in managing their agencies; their use of information for short-term political gain is less than trustworthy; they unfairly pressurise their civil servants; and they are careless with the lives and liberties of those whom they detain without trial or commission of crime. I shall illustrate those charges briefly.

On incompetence and panic, the circumstances behind the building of Yarl's Wood were rising numbers of asylum seekers post-1997, but relatively static removal rates of about 7,000 per year. The report details the setting of an unachievable new removal target and pressure to get a detention centre built speedily, but there was no understanding of the consequences. It was a botched job leading to what the ombudsman describes as a building that was unfit for purpose and the subsequent disaster.

The ombudsman says:

"There was of course no excuse for the actions of those detainees involved in the disturbance and the suffering and damage they caused. I have concluded, however, that what occurred at Yarl's Wood was the result of a series of decisions taken over the previous three years."

There is a policy point: we cannot be sure that this Government get their policy right under pressure. Therefore, what assurance can the Minister give us that the policy failures in the assessment of the issues surrounding asylum and removals have been addressed, so that that sort of problem cannot arise again?

Secondly, I charge that the Government waste resources on an epic scale. Yarl's Wood was significantly overpriced. The ombudsman details a memo from the Prison Service, which said:

"My own view of the IND exercise is that if and when the NAO [National Audit Office] takes an interest they will have a 'field day' in value for money terms."

The report describes how the pressure of speed made it an overpriced contract. Premiums were added on and there was not adequate supervision. I have informed the NAO of that particular paragraph and I am interested in what it says.

The speed also ensured that there was a failure to transfer the insurable risk from the public to the private sector, which has led to an ongoing dispute about the insurance. It might mean that the taxpayer bears a cost for the whole fiasco instead of the people who should have insured it. Again, that is an outstanding waste of resources.

How have procedures changed in the Home Office to ensure that such a reckless and expensive response to a problem cannot happen again? Why were they not considered sufficiently significant to be detailed in the Home Secretary's statement on 16 November.

Thirdly, I allege that the Home Office is incompetent in managing its agencies. I will give two examples. It was stated to my constituents at the outset that Yarl's Wood would be a relatively low-level security area and that no one who was a serious security risk or was dangerous in any way would go there. However, the report details how those who had been responsible for a riot and incident at Campsfield house shortly before Yarl's Wood opened were deliberately transferred to Yarl's Wood in breach of those undertakings.

It is also clear from the report that the Home Office did not know how many people were at Yarl's Wood on the night that we are discussing. Among his many expressions of astonishment, the ombudsman said that he was astounded that the Government did not know how many people they were in care of in detained circumstances in Yarl's Wood on the night of the fire. How can a Department be so incompetent in the management of its agencies? What action has been taken in the Home Office to investigate why so many errors were made in relation to the supervision of contractors and how can we be sure that that such a situation will not happen again?

[Alistair Burt]

I allege that the Department is less than trustworthy in the use of its information, for short-term political gain. I am aware of the seriousness of that charge. The ombudsman's report describes the process—if it can be called that—to produce a removal target of 30,000 a year at a time when removals then stood at about 7,000 a year. The target was treated with great scepticism in the Home Office and by the various agencies involved in the removal of detainees. It inadvertently got into the public arena and a Home Office official, who is quoted in the report, apologised to a Minister by way of a memo on 7 June 2000 for having allowed such a high figure to get into public currency, because once it did, it gained some credibility.

Despite that lack of certainty within the Department, on 23 March 2001, just a few weeks before the onset of a general election campaign, the then Home Secretary, the right hon. Member for Blackburn (Mr. Straw), re-announced the 30,000 target in a Home Office news release. Indeed, it became a manifesto commitment. It was described by, among all newspapers, *The Guardian*. On 24 March 2001, it said:

"The home secretary, Jack Straw, yesterday insisted he would continue to maintain the pressure by making the return home of 30,000 failed asylum seekers . . . the focus of official efforts over the next 12 months."

Immediately—and I mean immediately—after the general election campaign was over, the new Home Secretary, the right hon. Member for Sheffield, Brightside (Mr. Blunkett), was advised by his officials that the target was unachievable. How can that sort of target, the subject of a general election campaign, become unachievable in a few short weeks? How did it become unachievable then, when beforehand, inside the Department, it had been known to be very suspect? I suggest that the carelessness with which the then Home Secretary used those figures was tantamount to a fraud on the electorate. I want to know from the Minister how such a figure, which was characterised with such concern inside the Department, became an official target when it had such a sceptical basis.

My fifth point may give some indication of why that was the case: civil servants are placed under unreasonable pressure. A senior civil servant, the director of detention in 2001, is quoted in the ombudsman's report as saying that

"he considered the 30,000 target 'laughable' and 'plucked out of the sky'. This view was based initially on the views of experienced Immigration Service staff and very rapidly his own observations and judgement. He went so far as to describe the target as some kind of fantasy which you had to publicly acknowledge or you were branded 'not one of us' and a 'troublemaker'. Disturbingly"—

the ombudsman concludes—

"he said reasoned debate was 'forbidden'."

What investigation has taken place into allegations made by such a senior source? In his conclusions, the ombudsman drew attention to the climate in the Department. What evidence do any of us have that that climate is not still present? That leads to the suspicion about statistics and about everything else that we hear about. That is the concern behind the fact that that sort of pressure is placed on officials.

My final point is that the Government are careless of the lives and liberties of those whom they detain without trial and who have not committed any crime. That is the story of the whole thing. For political purposes, a removals target was plucked out of the sky, put in a manifesto and driven by the Prime Minister—whose personal involvement is also noted in the report—when everybody else in the Government knew that it would not work. That only became clear immediately after the election when the then Home Secretary admitted a mistake. It was a mistake for which many hundreds of people could have paid with their lives. That was the process described by the ombudsman.

In conclusion, the story is appalling: detainees were let down; those responsible for them were let down; my constituents were let down; the emergency services that had to deal with the fire were let down and, to add insult to injury, were sued for the part that they had played. Local and national taxpayers were also let down, and the Government's response was a written ministerial statement.

I am certain that the Minister can do a lot better. I ask him to take this opportunity to apologise and indicate what the Home Office is doing to ensure that its part in the process that became the Yarl's Wood disaster is not repeated.

2.58 pm

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I, too, congratulate the hon. Member for Isle of Wight (Mr. Turner) on securing this afternoon's exceptionally interesting debate. On seeing the title "Immigration and Asylum", my first reaction was to observe that it is not always helpful in a 90-minute debate to lump the two subjects together, because they are very different. However, while listening to the hon. Gentleman and some of his hon. Friends, I heard a number of different issues being conflated. Perpetuating the supposed conjunction between asylum and immigration is the least of the difficulties that have arisen today.

The hon. Member for Orpington (Mr. Horam) said that this issue is under-debated, and he is right. Other hon. Members have highlighted the dangers of a lack of debate on such issues. There was a debate in this Chamber on 8 July, not under the heading "Immigration and Asylum", but on the Home Affairs Committee report on asylum applications. It was held at the conclusion of an extensive, exhaustive and evidence-led investigation by the Select Committee The manner in which the issues were dealt with on that occasion—my recollection is that the Minister was also present—benefited from the opportunity enjoyed by members of the Select Committee to go out and learn for themselves, at first hand, the extent and nature of the problems that people undoubtedly face.

The hon. Member for Isle of Wight made his opening remarks and went on to speak about the problems of integration and multiculturalism. He asked whether Government policy is to pursue integration or multiculturalism. I do not think that those two objectives are necessarily mutually exclusive. We must be careful about how we use the terms. For example, the issue does not arise from immigration or even asylum, unless we take the term "immigrants" to mean people whose family came here perhaps two, three or four

generations ago. The problems of community relations are not exclusive to communities with a high number of migrants, whether economic or asylum seeking.

In raising those matters in such a way, the hon. Gentleman risks conflating the issues. I regret to say that that is what he did when he discussed dentistry provision. I suspect that, like me, every Member here knows from their own constituency experience about the problem of availability of NHS dentists. I also know about it because I well remember campaigning to save the Edinburgh dental school. The root cause of the problem—that was an unintended pun—was the closure of the dentistry schools by the Conservative Government between 1992 and 1997.

It takes a long time to train dentists. The Scottish Executive have made the recruitment and training of dentists a major priority, but the situation will not change overnight. To raise the issue as the hon. Gentleman did in a debate on asylum and immigration lends credence to the taxi driver view, if I can call it that, which is that all those people are coming over here and taking our jobs and services. That is manifestly not the case.

The hon. Gentleman also spoke about several scams, including the sector-based scheme, which we value greatly in my constituency. We do not regard it in any way as a scam. It brings to my constituency many processing workers, which the community simply is not able to supply from its own resources, for the fish and shellfish processing sectors. I also must caution him in respect of his comments on arranged marriages. Perhaps he was well intentioned, but I fear that many outwith this Chamber will read his comments and take offence at them.

Mr. Browne: As the hon. Gentleman knows, I am aware of the significant contribution that migrant labour makes to the economy of his constituency. I do not wish to endorse all that the hon. Member for Isle of Wight said, but he made a coherent point about the changed circumstances after the accession date of 1 May. We now have access to a much extended labour market in Europe, and, of course, that is relevant. It may be of help to the debate if the hon. Member for Orkney and Shetland (Mr. Carmichael), who has some experience of the matter in his constituency, discussed it further at the appropriate time.

Mr. Carmichael: I am exceptionally grateful to the Minister for that contribution. He makes a valid point, which the hon. Member for Isle of Wight also made. On the wider market, we must wait and see. The Minister referred to access—he was right to use the term—but it is early days. The extent to which we can exploit access to that market, the extent to which people will want to come from the new accession countries to perform those jobs and the impact that that will ultimately have on matters such as the sector-based scheme all remain to be seen.

The hon. Member for Edinburgh, North and Leith (Mr. Lazarowicz) referred to visa charges for students and I am grateful to him for raising that issue, about which I, too, have received representations. He is right to say that there is a widely held fear that the charges will start to deter overseas students from coming here, which would be exceptionally unfortunate and another example of the law of unintended consequences.

The contribution made by overseas students to our higher and further education sector is immense in respect of the individual institutions and the long-term benefits that accrue to this country—those, however, are perhaps less quantifiable—because we establish good links with a generation of people who will return to their own countries and perhaps go on to lead the opinion-formers of tomorrow. Many of those countries are ones with which it is essential that we establish good relations if our future national security is to be assured.

The hon. Member for Orpington referred to scepticism about Government statistics and the Minister made an interesting observation about the National Audit Office audit of the statistics. The answer that he received from the hon. Gentleman made me suspect that not much would satisfy him about Government statistics; he was determined in his scepticism. However, as one who lives at both ends of the country, I caution him because I can take an outsider's view of the problems facing people who live in London.

I see that there are problems with the overheating of London and the south-east, but to raise such issues in the context of a debate on immigration and asylum and to conflate the issues in that process is not particularly helpful. Indeed, it is no more helpful than the Tory proposals for quotas for asylum seekers. I was disappointed by the hon. Gentleman's response when the Minister challenged him on that issue.

I am keen to keep to my 10-minute limit and there is only one more issue that I want to draw to the Minister's attention. It was raised by early-day motion 458 on immigration rules and English language fluency for ministers of religion, and it concerns the difficulties that Hindu temples are having in recruiting poojaris as a result of having to meet English language fluency level 4. The Minister may be aware that poojaris are not required to be preachers in Hindu temples, but there are difficulties with recruitment as a result of that language requirement and I hope that the Minister will give his earliest attention to the matter.

3.9 pm

Mr. Humfrey Malins (Woking) (Con): I, too, would like to congratulate my hon. Friend the Member for Isle of Wight (Mr. Turner) on securing this debate and on the way in which he has presented the subject to us this afternoon. I also congratulate all those colleagues who have contributed to the debate.

The hon. Member for Orkney and Shetland (Mr. Carmichael) said rightly that these vast subjects, particularly when placed together, cannot be discussed fully in a short debate such as the one that we are having today. However, the subject is important, and my hon. Friend the Member for North-East Bedfordshire (Alistair Burt) was right to say that when we debate asylum and immigration, we should speak with sensitivity and care. Debates in the House in recent years have shown that characteristic, which is important but is not always reflected in the press and other parts of the media.

I pause only to say that I sometimes consider that standard debates are not the easiest way in which to develop policy and an exchange of ideas. The hon. Member for Dover (Mr. Prosser), who is here today and an expert on such issues, and I served on the Home

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Affairs Committee, which I often considered was an extremely good venue for an exchange of ideas and policy, and a good place in which to talk rationally. Other experts on such difficult issues are also present today. What a huge subject.

Reference has been made to the Government's record over the past eight years. My hon. Friend the Member for North-East Bedfordshire was right to refer to it. The record was unhappy in many respects and much took place before the Minister was in his place. I thank him, as I have done on other occasions, for the way in which he approaches such topics. Undoubtedly, during the past few years, asylum and immigration have become high on the list of worries of members of the public. My hon. Friend the Member for Orpington (Mr. Horam) referred to a survey that was carried out in his constituency. Such matters cause concern.

It is not easy for a Government to handle an efficient and humane asylum and immigration policy—not easy at all—but many would say that their record has been disappointing, to give it its lowest description. Asylum applications shot up and almost trebled between 1996 and 2001 and reached more than 100,000. The Government's inability to adopt a proper and effective removals target of failed asylum seekers was well highlighted by my hon. Friend the Member for North-East Bedfordshire.

In 2001, I tabled a parliamentary question to which the Government replied:

"The current . . . target relating to the removal of failed asylum seekers from the United Kingdom is to remove 30,000 in 2001/02; 33,000 in 2003/04; and 37,000 in 2004/05."—[*Official Report, House of Commons*, 17 December 2001; Vol. 377, c.78W.]

The Government should not have put forward such figures if they could not deliver them. The truth is that they had to abandon that target. It is not surprising that the former Home Secretary said not many months ago that he did not have a clue how many illegal immigrants were in this country. I think that the best estimates suggest that there are upwards of 250,000 failed asylum seekers here at the moment. That is a pity.

I wish to refer to two or three narrow, but important, points. My hon. Friend the Member for Isle of Wight naturally and properly referred to the impact of migration on housing in this country. Last December in the other place, my noble Friend Lord Lamont asked Her Majesty's Government about the latest projections for additional households each year in England, over what period forecasts had been made and how that compared with the previous projections of households in England in 2021 that was published in 2000. The Minister of State, Lord Rooker replied:

"The 2002-based interim household projections are the Government's latest projections and have updated the 1996-based household projections.

The 2002-based Interim Household Projections show that 189,000 additional households are projected to form annually between 2001 and 2021 in England. This projection assumes recent population trends continue and trends in household formation remain as estimated for the 1996-based household projections. They do not take account of future housing supply.

The 1996-based Household Projections showed that 150,000 dwellings were projected to form annually in the same time period".

Lord Lamont went on to ask:

"How many additional households in England each year can be attributed to the projected levels of net international migration in current and previous projections",

to which Lord Rooker replied:

"It is estimated that, in the 2002-based interim household projections for England, about 59,000 additional households per year are attributable to net international migration out of a total of 189,000 additional households per year between 2001 and 2021."—[*Official Report, House of Lords*, 8 December 2004; Vol. 667, c. WA38–9.]

The number had previously been estimated to be about 38,000 additional households a year. Simply, in terms of housing, the problem is important; I say no more than that.

We now have Government figures that show that nearly one in three of the additional 189,000 households formed each year will be due to international migration. It is the first time that that has been officially admitted. I simply put those figures before the Chamber for the Minister to comment on, if he will.

My hon. Friend the Member for Isle of Wight talked about immigration scams. There are a couple on which I would like an update, although the Minister has been very helpful on the matter in recent times. Reference was made to bogus colleges. The hon. Member for Edinburgh, North and Leith (Mr. Lazarowicz) was entirely right to talk of the many benefits of having international students in this country. However, we know—and the Minister accepts—that there have been and still are a number of bogus colleges. In a written answer, the Minister has said that

"Immigration and Nationality Directorate officials have visited over 1,150 establishments of concern so far this year"—

that is, educational colleges—

"of which about a quarter have been found to be bogus."—[*Official Report, House of Commons*, 15 November 2004; Vol. 426, c. 1092W.]

That is almost 300 bogus colleges. I would appreciate it if he could give an update on how many of those bogus educational establishments have been closed.

Mr. Gerrard: I hope that the hon. Gentleman will accept that something has been done about bogus colleges—and about time, too. The issue is not so much whether they are closed down, but whether people are allowed to get visas to come to such a college. That is now not possible. It is a step forward that that loophole has been closed.

Mr. Malins: The hon. Gentleman, whose judgment on such matters we respect enormously, was right to say that it was about time that something was done. The situation was very bad. I simply ask the Minister not only whether some of those places have been closed but what has been done to ensure that such places cannot profit.

I have two other matters to raise. First, there is the question of sham marriages. A reply to a parliamentary question that I asked last year suggested that, in 2001 to 2004, the better part of 8,000 to 10,000 marriages suspected to be bogus had been reported by registrars to the Home Office. It was significant that my inquiries among registrars showed that whenever they reported a proposed possible bogus marriage, they found the

Home Office unwilling to act. There has been legislation since. The Government were right to deal with the problem and, to quote the hon. Member for Walthamstow (Mr. Gerrard), it was about time they did. Can the Minister bring us up to date on whether he is entirely happy with the current situation?

Finally, there is the question of juxtaposed controls and borders. The debate on border controls could occupy weeks in itself. I happen to know that the Government have been working hard over the past year or more to improve our border controls. It is a difficult task. However, I would like them to comment, if they would, on a document that I received a few days ago from representatives of the British International Freight Association. What the association says is very important. Quoting observations of some member companies, it says that

"in July of this year all major ports around the world had to upgrade their security to comply with the International Ship & Port Security (ISPS) Code, agreed in December ... The ISPS Code is administered and regulated in the UK by ... TRANSEC ... our members moving goods by road from the Continent still report significant instances of 'clandestine entrants' getting into and hiding on trucks in order to gain entrance to the UK. They are said to be usually armed (sometimes with firearms). The point being that these trucks move through supposedly ISPS compliant in France and the Low-countries (some of which have British Customs/Immigration staffed 'juxtapositioned' control zones at them), go aboard ISPS compliant ro-ro ferries/ships and through UK ISPS compliant ports the other side, yet such armed stowaways can remain undetected."

Can the Minister briefly address that matter? I am sorry that I have extended my allocated 10 minutes by a few seconds.

3.20 pm

The Minister for Citizenship and Immigration (Mr. Desmond Browne): I congratulate the hon. Member for Isle of Wight (Mr. Turner) on securing the debate. He is right to say that it addresses an important and under-discussed issue, and the policy on it can only benefit from the debate. Unfortunately, I appear yet again to have been left with a comparatively small amount of time to respond, so it is unlikely that I will be able to deal with all the points that have been raised in this debate, but I will seek to deal with those that I do not address by other means.

The tone of the debate has broadly been helpful, although I will have something more to say about that. I am grateful to all hon. Members who have spoken for the contributions that they made; I hope that they will excuse me for that general acknowledgement. I am also grateful that my hon. Friends the Members for Walthamstow (Mr. Gerrard) and for Dover (Mr. Prosser) are present; they have expertise in this area and it was unfortunate that the limited time available to us did not allow them to do anything more than intervene in the debate. However, they were telling interventions that helped the debate to progress.

I have a slight disappointment about something, which I hope that the hon. Member for Isle of Wight will accept in the right spirit. He promised that he would address the positive aspects of migration, and particularly the significant contribution that migrant labour makes to the national health service at all levels, but, except for a fleeting reference, he failed to do so. That may be a consequence of lack of time. As I have debated with him before, enjoyed those debates and felt that his contributions were balanced, I will give him the benefit of the doubt on this occasion.

Nobody is more acutely aware than I am of the views of the public on this issue of public policy. They are reflected in my postbag, and in contributions from both sides of the political spectrum. Not everyone shares the views espoused by the hon. Gentleman. There are significant numbers of people in the United Kingdom who have different and far more liberal views about how we should run our border controls and how we should approach issues such as who should be entitled to migrate to our country and live and work among us.

I know that MORI polls show that 70 per cent. of people in this country think that migration is too high. I am also conscious that polls—and sometimes they are the same polls that produce that 70 per cent. figure—show that for many of the people who hold that view, it can be explained by the fact that they have exaggerated beliefs about what the actual figures are. The MORI poll that the hon. Member for Isle of Wight referred to recently showed that, on average, people thought there were four times more migrants in the UK than there are on any view of the figures—whether they be the figures that other people extrapolate from the public figures or those that are published after being audited.

There is a duty on all of us, to use statistical information in this area with a degree of responsibility, and, being a Minister, I accept that that stricture applies more heavily to me and to the Home Office than to anybody else. That is what my dispute with MigrationWatch UK is about in relation to the figures. To the extent that it uses figures that are published and are in the public domain—and, broadly, it does use such figures—I have no argument. Most of the time, it uses figures that have been independently audited, at the request of the Home Office, by the National Audit Office, and that have to a large extent been given a clean bill of health. I have a copy of the report in front of me and it contains some qualifications, as I mentioned to the hon. Member for Orpington (Mr. Horam). However, it suggests that the figures can largely be relied on, and it shows in particular that there is no transference from one set of figures to another—from the migration figures to the asylum figures, or vice versa—which was an important part of the debate that was taking place many months ago.

To that extent, I have no objection. It is the flawed analysis of the figures that I dispute. I understand that some of that is in an area where there is debate, because no Government in this country have ever been able to say how many illegal migrants are here. No Government in the world can say how many illegal migrants there are in their country. It seems a sterile argument to concentrate—as many people and commentators want to do—on the inability of one Home Secretary, or successive Home Secretaries, to be able to answer that question with accuracy. Nobody has ever been able to do it and I suspect that nobody ever will.

It is incumbent on the Government—I accept this responsibility—to look at the methodologies used by other countries, as we are currently doing, to see how the figures can be properly estimated in a way that does not inflame public opinion one way or the other, but informs

[Mr. Desmond Browne]

it and allows us to have a debate. When that work is complete, we will publish those figures and that information, but, as yet, it is work in progress.

I turn to some other important points. It is important to accept that people in the UK live in a globalised world. We do not live in isolation. We may have lived in a different world 20, 30 or 40 years ago, when international travel was much more difficult than it is now and when our economy was in a different state. However, migration is essential if we are to maintain our role as a major economic player. I do not think that there is any party in this Parliament that does not think that that is right. It is the scale that we are debating, rather than the principle.

It is beyond debate that we have one of the strongest economies in the world. We consistently have nearly 600,000 vacancies in the labour market, unemployment is at sustained, historically low levels and employment at sustained, historically high levels. Without migration, the rate of economic growth that we presently enjoy would be much lower. We could not look forward to the expected level of economic growth that all of us, as politicians and the elected leadership of this country, wish to see so that we can make the level of investment that we want in the infrastructure of our country and our public services. We could not sustain that growth. We must face up to that reality.

I understand that those labour market facts have significant consequences in relation to pressures on public services and, in particular, on housing in certain parts of the country. However, we must face the reality that those issues exist whoever does the work. If the work needs to be done in those parts of the United Kingdom, and if we are of the view that that level of growth should be sustained and continued, workers will need to come to do the work.

As I travel around this city, I notice—with my accent— that there is a significant amount of migrant labour from my part of the United Kingdom carrying out work and living among the people of the city. If those people settle in this part of the United Kingdom and want their families with them, they will generate a degree of pressure on public resources, whether they be housing resources or health resources. I understand that that is an uncomfortable reality for people who consider themselves to be the indigenous population—whatever that might mean. What is the indigenous population of the south-east of England? When I am out, I hear people speaking English as a native language with many accents.

Whatever the native population is, that is a challenging fact for them, but if we are to see the growth that we all want, we must deal with those issues. It will be unfortunate if this debate, which it is the Government's responsibility to respond to, becomes an issue about immigration, because, as the hon. Member for Isle of Wight pointed out, if we do not get the context of the debate right and if we do not take it forward properly, it will be ruthlessly exploited by extremists—particularly from the right wing of politics—to mask their racist approach to life in this country. That will do significant damage. We have a joint responsibility to take the issues forward.

We are not, in international terms, a high net migration country. Whatever the figures may be—the Government Actuary's Department has a mixed record of predicting the number of people and the growth of the population of this country—we are not a high net migration country. In fact, in relation to all our competitors, we are substantially smaller—.

Mr. Deputy Speaker: Order. I regret that time is up. I congratulate the House on a constructive and well informed debate.

GP Services (Exmoor)

3.30 pm

Mr. Adrian Flook (Taunton) (Con): I am extremely grateful for the opportunity to raise an important issue for the people of Exmoor that also resonates in every sparsely populated area of England. As the south-west region is the most rural of England's regions, the debate is relevant to counties other than Somerset and the part of Devon to which Exmoor extends.

I am sure that the Minister has boned up on his knowledge of my constituency and no doubt he knows that there are two very distinct geographical parts to it: Taunton Deane, which has 80,000 electors, and Exmoor, which has nearly 4,000—a much smaller number. The matter is best illustrated by my saying that although Taunton Deane is not overcrowded, the 3,900 electors of Exmoor live in an area roughly the same size as the whole of Taunton Deane.

I share Exmoor with my hon. Friend the Member for Bridgwater (Mr. Liddell-Grainger) and the hon. Member for North Devon (Nick Harvey), so together we represent one of the most remote areas of England. It is worth pointing out that, compared with the national average, Exmoor has a significantly greater proportion of households with individuals suffering from limiting long-term illnesses. Due to the nature of farming communities, families will be left to look after those who are ill.

On Exmoor, there is also a greater proportion of individuals caring for the ill or the elderly and a greater number of people living in medical and care establishments run by housing associations. Contrary to how some people regard Exmoor, it is not a very wealthy area across the piece. It is also well accepted that Exmoor has an ageing population, which is easy to understand when one considers that many people aspire to retire there. In turn, a higher than average proportion of people provide unpaid care in farming families, and a consequent proportion of the elderly live alone after the husband or wife has passed away.

It is also worth pointing out that Exmoor is unusual in having no traditional nursing homes, which creates extra problems for the GP surgery I shall mention in a few moments.

There are two particular issues that I want to bring to the Minister's attention. The first is the sparsity of the area that I represent, along with my hon. Friend the Member for Bridgwater, and the manner in which primary services are struggling to match those in the towns of Taunton and Bridgwater, as well as those elsewhere in England. Secondly, there is the particular problem of the Dulverton medical practice which is based at Trumpington House surgery in the town of Dulverton. Even to the Minister, hon. Member for South Thanet (Dr. Ladyman), whose constituency is hardly a conurbation, Exmoor must be really rural and Dulverton, although a town, not much more than a large village. It is the gateway to Exmoor and one of Britain's most beautiful areas, yet it is only a small town.

I am grateful for the information that has been provided by the partners of the surgery and Mrs. Pam Poole, the practice manager. Everyone who works for the surgery is held in high esteem by people throughout Exmoor. I am also grateful to Mr. Bernard Smith, chairman of the Dulverton medical practice patient group, which has a good relationship with the doctors at the surgery.

The practice covers an enormous area of 300 square miles and is based right in the centre of the town. That is the good news. The bad news is that the town is old and the practice based in extremely cramped conditions in an old house. There are 4,000 patients—a very steady number held over the past 20 years—with three whole-time equivalent doctors, of whom Dr. Lee Burton is the only full-timer. Some will say that 4,000 patients for three full-time doctors does not seem like a particularly burdensome load, but I am about to come to the crux of the issue, which is sparsity. Given that they have to cover 300 square miles, three full-time GPs working between 8 am and 6.30 pm five days a week do not have much time for house calls as well as surgery appointments, even on a good day. The doctors are, as in every doctor's surgery in the country, extremely pressed for time.

The patient group has emphasised the rurality of Exmoor to Somerset Coast primary care trust. Coupled with the lack of public transport, those from all the isolated communities must travel long distances to the community hospitals at Minehead, Williton, Tiverton, Taunton and, in some cases, Wellington. The round-trip can take several hours.

The patients' group is concerned that the outreach surgeries continue. They are in demand and began in response to local need. I know the village halls well, and will visit three of the outreach surgeries with Dr. Burton on Friday morning. I will be honest and admit that it would be fair to say that they lack professional amenities. No doubt Dr. Burton and his colleagues offer good medical care, but those village halls, which are at times cold, are not as well equipped as they ought to be. I am sure that the Minister appreciates that that is not the best way to deliver primary care in the 21st century.

The Minister will be aware of the issue of out-of-hours care. In a sparsely populated, rural area such as Exmoor, it is the main concern of the practice group. Patients are not happy with the out-of-hours service that has been afforded to them by Somerset Coast PCT. Thanks to the distance, emergency GP attention often takes several hours to arrive. Doctors are dispatched from Taunton, sometimes via Bridgwater, to get to the heart of the moor. Even with the most sophisticated navigation equipment available, local knowledge is immensely important.

In short, what is needed is funding for more doctors to cover the area at any one time. That issue, I am sure, will be evolving in many rural areas throughout the country. The problem is that, when the unknown GP arrives in the middle of the night, he has few, if any, patient records. That is always a cause for concern for patients and for the patients' group.

It appears that, since the system came into being at the beginning of April, none of that has been able to take place until the patient has telephoned the emergency contact number, been subjected to a host of questions—sometimes repeated by more than one operative—and been told that a doctor will be phoning. That call could come up to three hours later due to excessive demand for

[Mr. Adrian Flook]

the service. That comment is what electors of mine—patients of the service—are hearing all too often, so, of course, confidence in the system is low.

The alternative is to call 999 immediately, rather than go through the NHS Direct system, but 999 calls mean an in-built expense to the NHS that we would prefer not to be placed on it. However, that is what a large number of people are beginning to do. When 999 is called and an ambulance arrives, the response time is well outside what is expected. That is understandable because Taunton, the location of the nearest major ambulance station, is at least 25 miles away.

So, the issues are out-of-hours service, the continuation of outreach services and sparsity. The availability of physiotherapy also needs to be improved. Farming is the mainstay of Exmoor and farmers go through physical work and exertion much more systematically than many of us, who seem to have desk jobs. It therefore becomes an imperative that people receive physiotherapy much more smoothly and efficiently, or they could end up prematurely chronically disabled and unable to work. That would undermine their whole lifestyle. Mental health care is common in rural areas, but the service and support for psychotic or affective disorders is sparse on Exmoor.

Mr. Ian Liddell-Grainger (Bridgwater) (Con): My hon. Friend and I share Exmoor almost exclusively. He makes an eloquent case, but perhaps I may tease out this point a little further. Domiciliary care in our local hospital in Minehead, not the main one in Taunton, has been cut even since we began to represent the area—not because the hospital wants it cut, but because the resource has been moved to Taunton. Does he agree that we must try to encourage more domiciliary care such as physiotherapy back on to the moor?

Mr. Flook: It would be extremely useful if the services being offered in Minehead were also offered in Dulverton. I wait to hear the Minister's response. In the spirit of trying to be helpful to one another, I informed his office of the issues that I intended to address this afternoon.

The minor injury unit represents an important issue, but one that I hope is being resolved. The Minister may be aware that it has been a slight local cause célèbre. Following 1 April and a new GP contract, the PCT saw no value in continuing to fund the minor injury unit. The sum involved is fairly small—just a few thousand pounds—and the unit offers local people an opportunity to be seen quickly by a health professional. However, the doctors thought that that decision was wrong and, despite local medical committee guidelines, which advise against offering services not funded by the PCT, they have continued to offer the facility.

Even the people in Bridgwater, where the PCT is based, did not grasp the issues of rurality and sparsity faced by those living on Exmoor. The 80 patients treated every year are grateful that the doctors have continued the facility. Where else could they go? Wherever they live—it could be Simonsbath—to go to Dulverton is a detour. If they found that the minor injuries unit was not open, they would have to go on to Taunton. Therefore, a small detour to Dulverton could mean another 25 miles to the accident and emergency department at Taunton or going back across the moor to Minehead.

In response to my hon. Friend's comment on Minehead, there is, I am told, no medical cover, by which I mean a doctor's cover, for the minor injury unit between 11 at night and 8 in the morning. That creates further concern and pushes people the longer distance to Taunton, instead of the slightly shorter distance to Minehead.

The patients' group remonstrated with the PCT successfully, and following a personal meeting with Alan Carpenter, chief executive officer of the PCT, a dialogue is taking place. I hope the problem will be resolved

I hope also that the Minister has been able to follow closely my depiction of the difficulties in delivering primary health care on Exmoor. The matter is made more problematic by the situation in which doctors find themselves with their own surgery premises. The building, which is in the centre of Dulverton, is outdated and restrictive. It was converted in the 1960s from a house, when the doctor, who had a single consulting room, moved next door. The number of consulting rooms is now too few for the number of doctors. The nursing area is equally cramped. The corridors are not wide enough for wheelchair or stretcher access and there is a lack of space in the treatment rooms.

In view of the geographical isolation and the distance even to the community hospitals of Minehead and Tiverton, the surgery needs to be able, and is just about able, to offer dietician's advice, community nursing and midwifery, a health visitor service and—not that the doctors are being paid for it—the minor injury service, but all in cramped and unsuitable surroundings. When I visited the surgery in December, I was introduced to a number of staff who are based in what are effectively broom cupboards. They make the facilities that some of us still endure in the House of Commons look quite palatial.

The Minister will know that much more is being asked of primary care and that Trumpington House has no opportunity to match what many GP surgeries can offer elsewhere in my constituency. The minor surgery service could even be extended. There could and should be mental health support. It would be good to see occupational health services for rural workers based there and even visiting GPs with special interests being allowed to go to the surgery.

Access for the elderly, infirm and disabled is real issue. There is an inadequate drop-off point on a narrow street, which always blocks the traffic and is a problem for blue-light emergencies and for the air ambulance if it ever has to pick someone up from the surgery. I noticed, because it is all too clear, that the dispensary is too small. Of the 4,000 patients, 75 per cent. get their prescriptions from the doctor and get a poor service—not because the pharmacy is inadequate, but because people have to queue so close to each other that everyone knows what everyone else's prescription is. That cannot be right. Overall, in the words of the chairman of the patients' group, Trumpington House

"is not conducive to a healing environment".

There is a solution. A site for a new medical centre has been found in grounds currently occupied by the dentist in the town. It is well located, easily accessible to everyone in the community and, as my hon. Friend the Member for Bridgwater and I know, even has the

blessing of local planners, who are fairly picky. Funding, as I am sure the Minister would expect me to say, is the key to solving the problem.

The PCT acknowledges the difficulties, knows that there is a solution and, depending on the yardstick used, says that the surgery is its No. 1 or No. 2 priority. It has given everyone the impression that it wants to be helpful, but says that there are genuine restrictions on finding suitable capital funding to help the GPs to move their practice. It appears that the PCT's budget to help doctors to improve their facilities throughout all its surgeries on the Somerset coast amounts to about £600 per surgery. That may or may not include the extra £108 million for help for doctors to improve their premises, which was announced by the Government at the end of July, but it works out to an extra £100,000 per PCT and an extra £150,000 next year, which is not a lot. I hope the Minister appreciates that there are problems of sparsity on Exmoor and even the local PCT is slowly working out that it has not quite grasped what that means in terms of how services need to be delivered.

I believe that my comments are helpful and I hope that they have been received as such. We are looking for help and for understanding of sparsity and its impact on how doctors are trying to keep up with what is expected of primary care elsewhere in our country. In trying to improve the health of their patients, it appears to me as a layman that they have to struggle more than others. They are at the end of the queue in more ways than one: they tend to have smaller patient lists, which means that funding is more difficult, and they are geographically more removed from the centre, which means not only that their patients have to travel much further, but that the money seems to travel more slowly to them.

3.48 pm

The Parliamentary Under-Secretary of State for Health (Dr. Stephen Ladyman): I am grateful to the hon. Member for Taunton (Mr. Flook) for the interest that he takes in his local health services and I congratulate him on raising the issues today. However, for the very reasons that he outlined, I hope he will understand that much of what he has said pertains to matters that have to be addressed locally.

The hon. Gentleman correctly said that, although my constituency of South Thanet contains significant rural areas, it is very different from Exmoor. I have no knowledge of the detail of how life on Exmoor works; I cannot possibly know. I have enough to do to ensure that I understand how life in South Thanet works. That is why it is right that we have a policy of shifting the balance of power, sending money for the national health service to local areas and making local primary care trusts the focal point for local decision making, with people who know the area making decisions that are relevant to it.

Although I will deal with some issues that the hon. Gentleman raised and tell him what is being done about them, the response must come from his local PCT and local health professionals who understand the area. They have been given the resources, the opportunity and responsibility to address those issues locally. I hope that he and his colleague, the hon. Member for Bridgwater (Mr. Liddell-Grainger), engage with their local PCT to ensure that their views are fed in. I am also happy to say that, because that local PCT has a duty to ensure it understands the views of local people, it organised a series of consultation events last autumn to enable it better to comprehend the needs of the local health community. Those events have informed the capital programme, including primary care services; helped to ensure that resources are going to the right places; and helped the PCT to create a strategic services development plan, which will no doubt address many of the issues that the hon. Member for Taunton raised.

Mr. Liddell-Grainger: The Minister has made the most elegant points. One problem with Somerset Coast PCT—most of which is in my constituency—is that one goes from an industrial town to a very large seaside conurbation to a huge rural area. We have four hospitals of which only one would meet Government standards. The PCT is good, and the Minister is absolutely right: it is undertaking a phenomenal consultation process, in which I, my hon. Friend the Member for Taunton (Mr. Flook) and my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) have been involved. However, it is finding it very difficult to obtain the capital receipts to be able to do what it would like to do.

Dr. Ladyman: Later on, I hope to have good news about capital receipts for the hon. Gentleman. We have come up with a formula for ensuring that the capitation expenditure in each area reflects properly the needs of that area. Deprivation and rurality are two issues that are taken into account when determining the amount of money per head going into the health service in a particular area. It will take us some years to move fully to the use of that formula, but it already is and will continue to be an awful lot more generous to Exmoor than the formula for spreading out money in the national health service that it replaced. I hope it will help the PCT to address the issues mentioned in the long term.

I ought to say something about the problems of contracting and attracting GPs to an area such as Exmoor. Before I do that, with my Government hat on and to ensure a balanced debate, I am pleased to say that in December almost 100 per cent. of patients were offered an appointment with a GP within the national target of two working days and almost 100 per cent. of patients were able to gain access to a primary care practitioner within one working day. That is a considerable achievement by health professionals, and I congratulate them on their hard work and commitment.

Part of the modernisation of the national health service means that we must modernise the role of GPs and have the new general medical services contract, which came into existence in April, as an alternative to the personal medical services contract. It allows far more flexible working and increases UK expenditure on primary care from £6.1 billion in 2002-03 to £8 billion in 2005-06, which is an increase of 33 per cent. It is based on a series of quality indicators that will allow GPs to be paid more if they improve the quality of services to their patients and are able to reflect the needs of areas such as Exmoor.

The contract also provides new recruitment and retention possibilities to tackle shortages, which will be very important to areas such as Exmoor. For example,

[Dr. Ladyman]

it allows for new benefits, including enhanced service payments if specialist services are delivered in a primary care setting; allows for resources to be allocated more fairly according to need; and benefits patients, giving them a far wider choice of high-quality services.

I hope that those services will be in the community, as the hon. Member for Bridgwater said in an intervention, rather than in a hospital. In an area such as Exmoor, it is vital that we provide more services in people's communities, rather than have them travel long distances to hospital.

All the surgeries in the west Somerset area, which includes Exmoor, have transferred to GMS contracts—only a few remain on the PMS contract. I have no doubt that they all recognise the benefits and that they can use them to improve services in their area.

The hon. Member for Taunton raised several issues, and I shall try to deal with them. First, the Trumpington House surgery in Dulverton faces several serious challenges. I do not minimise them for a second. Officials of the PCT have met regularly with the surgery to discuss options for developing integrated health facilities on an alternative site. I am pleased to say that, following acceptance of the new GMS contract, the PCT has invested more than £900,000 in Trumpington House surgery.

The news that I have for the hon. Gentleman—I am slightly surprised that he has not heard it already and that the PCT has not put it up in lights—is that the surgery has been awarded £250,000 for 2005–06 from the Dorset and Somerset funding. The money has been allocated for development of the modernisation project and has come from the new premises moneys released by the Government in 2004. It is for the local PCT and the surgery to work out how the £250,000 can best be used, but, if the provision of new services and facilities is as important as the hon. Gentleman suggests, I hope that they give serious consideration to using the money for that purpose.

The hon. Gentleman discussed out-of-hours services. He may be aware that the new GMS contract allows PCTs to take responsibility for such services. By 1 January, all but seven PCTs had assumed responsibility for them. Indeed, the transfer of responsibilities for such services to PCTs means that in many areas much more effective out-of-hours services can be provided. The new contract also helps to retain and recruit GPs who otherwise would not be interested in providing an out-of-hours service.

Somerset Coast PCT has taken on this responsibility and has put in place a robust and integrated out-of-hours service. The service can be accessed by NHS Direct and is supported locally by treatment centres, minor injury units, community hospitals and community nursing teams. Out-of-hours services are available at Musgrove Park hospital in Taunton and at community hospitals in Bridgwater and Minehead. The services are supported by a county-wide strategic development group, which is chaired by the chief executive of Mendip PCT, the lead PCT for out-of-hours services in Somerset.

I am not saying that everything about that out-of-hours service is already working perfectly. Of course it is not. The service will have to be monitored and improved. The issues that the hon. Gentleman identified will have to be addressed as time goes on, but the local team has put in place a strong plan that can improve on and deliver a top-quality out-of-hours service to people on Exmoor in the long term. Although feedback will be necessary from patient groups, the hon. Gentleman and local people, I believe that the service will go from strength to strength.

It is important that we deal with resource allocation, at least briefly. As I said, because the old formula did not properly reflect deprivation, rurality and other issues that add to costs in particular areas, we abandoned it. We have introduced a new formula that is much more generous to areas such as Exmoor, although it will take several years before Exmoor is on target for the total spending that we expect it to receive. However, the area has already benefited significantly from the new formula, and it will continue to benefit as it approaches the target in the coming years.

I hope that, following that brief canter through the issues that the hon. Gentleman raised, I have addressed his concerns. If I have not, I am happy to meet him to discuss them further.

School Buildings (Medway)

4 pm

Jonathan Shaw (Chatham and Aylesford) (Lab): I am pleased to have an opportunity to talk about schools in the Medway towns and I would like to put it on record that my contribution is supported by my hon. Friend the Member for Gillingham (Paul Clark) and by my hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews). All three of us, representing the Medway towns, have high aspirations for our young people, students, and children, and the schools in which they learn.

Without doubt, Medway schools have benefited enormously from investment under this Labour Government. There was £21 million of capital investment last year; there is the same again this year; and there will be just about the same again next year. That means more than £60 million within a three-year period, which is unprecedented. When I was elected, in 1997, if I were to have forecast those sums of money going in to schools in the Medway towns, people would not have believed it.

The figures are one thing. What matters to children, parents, school staff, heads and governors is what that £60 million does. What happens in the classroom and in the schools is what matters. The money improves facilities for schools and thereby the learning opportunities for our children and young people in the Medway towns.

I used to be surprised when I visited schools and heads wanted to show me their new toilet blocks. I had difficulty in matching their enthusiasm when they described the transformation. They said the same about staff rooms. I should not have been surprised, because the reality was that there was never any money to put those things right; if there was money, staff rooms, loos and so on were the last priority. That has been why there has been enthusiasm and much else, which I will go on to talk about.

Heads have said to me that, at long last, they have got the money, particularly devolved capital, which has proved very popular, to put right and to improve aspects of their schools that they had never been able to consider. That was the picture in many Medway town schools, but those days are going. It is not just a matter of toilets and staff rooms; it is much more than that. I will give a few examples. We are constructing new buildings. A sports hall at Medway community college just recently opened. It cost £1 million and it is a superb new centre. When I visited it recently, a young girl said, "This is the best thing that has happened to our school in years". I am really proud of it.

Seven years ago, when a head teacher at All Saints primary school, Mr. Stuart Kay, and I stood outside his Victorian building, he looked at me and said, "I want a new school for this area in Chatham". Well, he has got it. More than £1 million was involved. There are fantastic new classrooms and there has been a transformation. There are smiles on the faces of all the staff and the children. As the head teacher said, "We are over the moon with what has happened". He did not believe that it was possible.

We can contrast that and other examples of what went before. Perhaps one of the startling examples was Chatham South secondary school, which for 21 years did not have a school hall. We are talking about a secondary school that provides education for hundreds of pupils; boys and girls in the Medway towns did not have a school hall. Well, it has a school hall now. Eighteen months ago, a new £1 million school hall and drama and music centre opened.

Close to home, Wayfield primary school, where I am a governor, has a nursery. It was originally built under the urban aid programme under the previous Labour Government. It took the election of another Labour Government for that nursery to be refurbished under the new deal for schools programme. The school had to wait that long. I have said that in a very partisan way because Conservative Members of Parliament vote against that investment; that is the clear dividing line, of which my constituents are very much aware.

The examples of school investment that I referred to are typical of what is taking place across the Medway towns. My hon. Friend the Minister knows that the Medway area is part of the Thames gateway. It is one of the four national growth areas and a national priority for the Government. There can be no question about the priority given to the Thames gateway; the relevant Cabinet Committee is chaired by the Prime Minister himself. We have aspirations for the new communities, and—vitally—for the existing communities in the gateway. If we are to succeed in getting cohesion and dynamism and if we are to grasp those opportunities, we have to ensure that the infrastructure—whether of transport, health or education—is improved.

We have made a good start; recently two new nurseries were built as a result of £500,000 each from the Government. There are free places, and a new Sure Start centre has opened, at a cost of £1.1 million, that provides high-quality support for children and families in Medway towns. It would be wrong to overlook the Government's investment in higher education to ensure the establishment of the universities. Kent university and Greenwich university now share the Medway campus. My hon. and learned Friend the Member for Medway is not here today but, since 1991, he has been an inspiring champion of the cause to establish a higher education institute in the Medway towns.

Discussing school buildings in Medway is relevant to the core purpose of this debate. Institutions for higher education are in place; we need to create the right conditions so that all our young people can aspire to and obtain the necessary standards so that they can choose whether they will attend those institutions. Those two universities have undertaken great work, particularly on the children's university and in reaching out to communities that had never considered higher education. The education maintenance allowances have made a difference by encouraging young people to continue their education post-16; some £500 million has been invested to assist such children and their families. We are only too aware of that investment.

The essential infrastructure, however, has to ensure that there are people with the skills to meet the challenges and opportunities. Some 12 per cent. of residents in Medway towns have qualifications of degree level or higher, compared to a national average of nearly 20 per cent.; on that criterion, we are ranked 66th of 67 authorities in the south-east. That is a poor position from which to benefit from the growth that comes from the knowledge and skills based economy.

[Jonathan Shaw]

Standards are rising in Medway schools and I pay tribute to the hard work and efforts of head teachers, other school staff, pupils and parents. However, 30 per cent. of Medway's work force do not have any qualifications. In a competitive region such as the south-east, that makes things difficult for us. Our people have 7 per cent. fewer qualifications than the regional average. Given that backdrop, the Minister will understand our determination that Medway schools should be the springboard for our population to reach out and grasp the gateway's potential.

The Department has advised Medway that we will start to receive building schools for the future funding in 2011, and that more will come into effect in 2016. I understand that building schools for the future is a long-term programme. However, if the gateway is to meet its full potential, we need to invest earlier in school buildings in Medway. The Department needs to understand better the gateway and the unique and special circumstances in Medway and the whole of the gateway. Perhaps it should be clearer about the importance that it attaches to schools for the future. I say that because in neighbouring Gravesham there has been an allocation from the 2008 tranche for building schools for the future. I would like to understand the criteria that the Government are working to. I know that deprivation levels are similar in Medway and Gravesham, but what factors are taken into account in terms of growth and the need to improve the personnel infrastructure? The Government must look again at Medway and I ask the Minister to consider my points and to review those decisions.

We have no argument about the commitment to invest in our schools. We know that we are having a share of the £5.5 billion of capital investment that the Government are providing compared with the £650 million that was being spent on schools prior to 1997. I am not just saying that I want more for my schools and I want the Minister to understand that. If we are to grasp the opportunities and realise the ambition, the gateway must meet the challenges and have a skilled work force. We need the schools that will be the springboard to create those opportunities.

Many more properties—some 120,000—will be built in the gateway by 2016, 43,000 of which will be in Kent and Medway. Schools need infrastructure investment and they have had that infrastructure investment. I am a great supporter of the Government's ambitious programme of refurbishing and rebuilding schools. In parts of my constituency outside Medway, rebuilding of two schools will start in March with spending of some £13 million or £14 million. I know that the Government are not just talking about spending money; they are spending money on schools both in Medway and elsewhere in my constituency. However, the point that I am labouring is that if we are to meet the challenges and if my existing residents and constituents are to realise the potential and grasp those opportunities, our schools must be the springboard. Investment is needed so that in Medway we can build those schools for the future before 2011. I hope that the Minister will review that decision.

4.13 pm

The Minister for School Standards (Mr. Stephen Twigg): I congratulate my hon. Friend the Member for Chatham and Aylesford (Jonathan Shaw) on securing this important debate. I put on record my respect for his efforts and, as he rightly said, those of our hon. and learned Friend the Member for Medway (Mr. Marshall-Andrews) and our hon. Friend the Member for Gillingham (Paul Clark). I had the opportunity last year of visiting the area with our hon. Friend the Member for Gillingham to meet parents and teachers and to visit a primary school. I am aware of many of the challenges and opportunities that my hon. Friend the Member for Chatham and Aylesford set out.

It is probably worth starting by saying a little about some challenges that we faced when we came to office in 1997. My hon. Friend set those out with reference to his constituency. It is fair to say that school buildings throughout our country had suffered from decades of under-investment and neglect as well as a chronic and widespread backlog of urgent repairs. A large number of schools that were built in the 1960s and 1970s were passing the end of their design life and many were in much poorer condition than older schools built 50 or even 100 years ago. A huge number of temporary classrooms were in use and many were in terrible condition.

My hon. Friend referred to toilets. Many schools had outside toilets and heating systems that were antiquated, inefficient and inadequate. Very few new schools were built between the late 1970s and the mid to late 1990s. Those that were built were usually a response to necessity caused by rising pupil numbers in certain parts of the country. Schools were not in a position to improve their buildings or to respond to developments in learning and teaching, in particular the challenges of information and communications technology and the new technologies that are now available to us.

In 1996–97, the financial year at the end of which we came to power, direct Government support for capital investment in school buildings stood at just under £700 million for the whole of England. That has been increased dramatically to record levels. This year the figure is £4.9 billion and it will rise over the next three years to £6.3 billion in 2007–08. That significant improvement in capital investment in our schools is designed not only to make up for those decades of neglect, but to address the challenges that the education service faces as we go into the 21st century. We need to ensure that all schools are up to the expected standards, with very high aspirations for all children.

We have done a number of things. We have revised and improved the design and environmental guidelines for schools to reflect the needs of this century, and in particular to capture the benefits of new technology and ICT. An example is the greater availability of interactive white boards and greater expectations in relation to sustainable buildings and good environmental quality. That is in addition to meeting some challenges around inclusion in education, for which my hon. Friend has been a powerful advocate in his role as a constituency MP and on the departmental Select Committee.

In November, we announced the capital funding for schools over the current spending review period, taking us through to the financial year 2007–08. Taking those three years together, we are talking about more than £17 billion of additional capital support for investment in maintained schools across England. The capital strategy underpins the five-year plan for education, which was set out last summer. It seeks to provide all schools and authorities with funding, allocating it in a way that is fair and meets the needs that exist.

In 2007–08, a typical primary school of 250 pupils will have a direct grant of £34,000 to spend for its own capital purposes and a typical secondary school of 1,000 pupils will have about £113,000. On top of that, depending on local priorities, all schools will have access to about £2 billion through the local authority or the diocese.

By 2007–08, there will be a further £500 million available for exceptional needs that formulaic funding alone cannot meet. By then, we will be targeting about £2.7 billion for the renewal of the secondary school estate through academies and the building schools for the future programme. I will come to the position in Medway in a moment. The ambition of building schools for the future is to renew every secondary school in England. That is a huge task. It has never been attempted before and will take some time—we estimate between 10 and 15 years, and even that must be subject to future decisions and future spending patterns.

I turn to some challenges in Medway to which my hon. Friend referred. First, I acknowledge the important points that he has raised, both about standards and improving quality with respect to learning and teaching, and about some continuing challenges that are faced in the education service in his constituency. I am pleased to echo his points on the role of universities and the great importance of getting that higher education presence in Medway. Like him, I pay tribute to my hon. and learned Friend the Member for Medway, who has led the campaign on that issue.

We know that part of the challenge with respect to aspiration for those children who come from families that traditionally have not gone into higher education is to achieve more effective co-operation between schools and higher education. The progress that my hon. Friend the Member for Chatham and Aylesford described enables those aspirations to be raised—ideally, experience shows us, from the youngest possible age. The greater the links between universities and schools, the more likely it is that we will see the benefits.

As my hon. Friend acknowledged, Medway benefits from the general increase in funding via formula and the targeted capital fund. For the next three years, the authority and its schools have been allocated £45 million in capital funding. Much can be done to ensure that that investment has a real impact, but, as he said, Medway has not been prioritised in the first three waves of BSF funding.

Let me say a little about how we chose the areas that would go into the different waves of BSF. As I said, it is a long-term programme lasting perhaps 10 to 15 years. Just two years ago, we invited every local education authority to apply to be included in the first wave of projects or to express an interest in being included in the rest of the programme. We published detailed guidance on how we would prioritise investment, and how we would start with the areas of greatest educational and social need. We chose simple, robust and understandable criteria: a combination of schools' GCSE performance and eligibility for free school meals in the area. That meant that authorities could see for themselves whether they were likely to be included in the early stages of the programme.

BSF is a development of the private finance initiative. As such, it deals with procurement of groups of schools rather than individual schools. That clearly brings efficiency and value for money from public procurement. However, more importantly, the real value of BSF is that a grouped approach should mean that we get much greater educational impact from the capital investment. Each local authority has the opportunity to think about its educational vision for all the children in the area covered, including, for example, whether the number and type of pupil places across an area are right. Groupings can consist of an entire authority or part of one. Where it makes sense, groupings can also cross authority boundaries where those authorities wish to collaborate.

Medway did not ask to be included in the first wave of BSF, which was announced in February 2004, but it expressed an interest in coming into the programme after wave 1. However, compared with other groups of schools put forward by other authorities around England, Medway's schools did not have enough need to be included in waves 2 or 3, which we announced in November. The further 20 projects, which will access funding by 2007–08, all have greater overall need than Medway as a whole.

My hon. Friend asked about the comparison with Gravesham and suggested that the two areas are broadly similar in character. It is worth pointing out that because of the sheer size of Kent LEA, the two will come into BSF at different stages. Gravesham was the first priority area. In a broad sense, my hon. Friend is right, but schools in Gravesham have a greater need than those in Medway, according to both the indicators that we used. The percentage of pupils with 5 GCSEs at A* to C for Medway schools is 47.9, whereas for Gravesham the figure is 42.5 per cent. On free school meal eligibility, the figures are 10.2 per cent. for Medway and 16.5 per cent. for Gravesham. That explains the technicalities of how Kent's bid for the project in Gravesham was deemed to have a higher priority than that for Medway.

Jonathan Shaw: I am not disputing the figures; I said only that there are similarities between the two areas. However, without question, the most deprived area in Kent is Thanet. I am trying to understand what importance, if any, my hon. Friend's Department has attached to the Thames gateway and the special circumstances to which I referred.

Mr. Twigg: I was coming to that. We have sought a consistent set of criteria across the country and we decided that, for ease of understanding and clarity, the combined indicator of GCSEs and free school meals was the best. For the reasons set out by my hon. Friend, a particular challenge exists with respect to the authorities that are part of the Thames gateway. There will be opportunities, through basic need funding and the

[Mr. Twigg]

targeted capital fund, for some effects of the increased demand for pupil places that the Thames gateway will bring to be met before authorities such as Medway become part of BSF.

We recognise that uncertainty is damaging to good planning by authorities and schools. That is why we wanted in November to give the authorities not in waves 1, 2 or 3 a broad indication of where they were likely to start in BSF. As my hon. Friend said, Medway is likely to join the programme between 2011 and 2016. We cannot give greater certainty this far in advance, but that is indicative planning information, which must be subject to future public spending decisions.

I would not want to mislead Medway into thinking that it has a definite and predetermined slot, but we have made it clear that the Government are committed to completing BSF within 10 to 15 years. Officials will meet local authorities, including Medway, in the coming months to discuss the issue in further detail. That meeting will give the authority an opportunity to put to our officials some points that my hon. Friend has raised today.

We have also announced that authorities, including Medway, that are not in the full programme by 2011 will receive capital to enable them to rebuild or remodel at least one of their secondary schools with the greatest need, either through the academies programme or through additional funding via the targeted capital fund. To support local education authorities in their planning, the meetings that I have just described will deal with capital strategy and consider the investment needs of each local community in greater detail. I sympathise with the fact that Medway's secondary schools will not immediately get the investment that some of them need. Despite the generosity of the education settlement, the scale of the need nationwide is enormous.

I mentioned the substantial capital support of £45 million that has been allocated to Medway schools over the next three years. That sum can be used for their priorities. In addition, Medway can take up the offer of funding for its neediest school, and I have encouraged it to do so. I am sure that my hon. Friend will do the same. I understand that plans are already being developed locally for an academy: more than one school might be able to benefit from the academy route. It will be for Medway to bid to the revised targeted capital fund for any further priority projects. We hope to publish our guidance on this fund next month.

Direct Government funding is not the only resource available to Medway and other authorities for priority investment in their schools. Medway has the flexibility to decide how to use all capital delivered from the single capital pot, not just that which comes direct from the Department for Education and Skills. Therefore, if education is its priority, Medway can direct further capital towards schools, if it wishes. It should also ensure that it maximises all its section 106 planning gains. I think my hon. Friend will accept that that gives Medway real options, and I hope that it will explore all of them. I give him an undertaking that our officials will give whatever support they can to ensure that that can happen.

I congratulate my hon. Friend again on raising this important issue. I believe that building schools for the future represents a tremendous opportunity to deliver improvement. We must have a system for prioritising, but there are a number of other ways in which we can get the extra capital needed into the schools in Medway. I look forward to working with him and the other two Medway MPs to ensure that that can be done over the months ahead.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Four o'clock.

Westminster Hall

Wednesday 12 January 2005

[MR. EDWARD O'HARA *in the Chair*]

NHS Dentistry

Motion made, and Question proposed, That the sitting be now adjourned.—*[James Purnell.]*

9.30 am

Mr. Damian Green (Ashford) (Con): I congratulate the newly-appointed Lord Commissioner of Her Majesty's Treasury, the hon. Member for Stalybridge and Hyde (James Purnell), on efficiently carrying out his duties.

I am grateful for the chance to raise this issue, which came to my attention as a constituency matter. Clearly, it also has national implications, and I shall make some general points about the national position shortly. Some problems are, however, specific to my constituency, although their seriousness illustrates the general problem. Indeed, I can see by the number of colleagues from both sides of the House who are present that it affects many constituencies.

To put it straightforwardly, no dentist in my constituency is taking on new national health service patients. In recent weeks, one practice has become so frustrated at the uncertainty surrounding the introduction of the new contract that it has pulled out of NHS work altogether. Inevitably, the effect on local provision has been disastrous.

The problem is illustrated by the primary care trust's figures. Right hon. and hon. Members will be aware that the Government have set targets as part of their commitment to ensuring access to NHS dentistry. When someone living in an urban area phones NHS Direct saying that they need an NHS dentist, they are supposed to be provided with one within 10 km of where they live. A year ago, the Ashford PCT was able to meet that target in 98 per cent. of cases; in the latest quarter for which it has figures, however, that percentage had already fallen to 64 per cent.—well below the Government's target of 90 per cent.—and it is heading downwards at a rate of knots. Clearly, that is not acceptable, although I should make it clear that I have no criticism of my local PCT, which is working extremely hard to do what it can within the severe constraints that it faces. It is trying to extend the hours of emergency cover, but that is simply not enough.

As hon. Members would expect, I have received many letters, e-mails and complaints about the crisis in dentistry in my constituency, but I shall quote only one, which illustrates what is, I am sure, a familiar story to colleagues from all parts of the country. Mrs. Barker writes:

"My dentist whom I have been with for 7 years has now turned private, only accepting patients who sign up to Denplan. Children will not be taken unless their parents are patients at the surgery and agree to Denplan. I believe that this can cost between £10-£30 per person per month . . . I contacted NHS direct for advice and to try and locate an NHS dentist but was told the nearest ones are Sandwich, Canterbury and Hadlow.

I have Multiple Sclerosis and I am currently having a relapse. This therefore means I am off work. Because of the nature of this illness I cannot predict the recovery period. I am unable to drive at present due to my illness and therefore trying to access a dentist some considerable mileage away is impossible.

My concern is for my children. I have dutifully taken them to the dentist on a regular basis and I want to continue this, to encourage them to look after their teeth . . . I feel desperately upset that I am unable to provide my family with a dentist that will look after us on a regular basis without it costing approx £50 a month/ £600 per year."

I am sure that such letters will be familiar throughout the country.

I make a plea to the Minister to see Ashford as a special case precisely because the Government designate it as an area of fast population growth. Already, under the Deputy Prime Minister's sustainable communities plan, 800 new houses a year are being built in Ashford, and the plan is for roughly 1,000 more new houses every year for the next 25 years. We know that about 2,000 more people will be living in Ashford this time next year, and not one of them will be able to find an NHS dentist in the town. For the people of Ashford, easy access to NHS dentistry is a mirage. I know that the Minister will not find that acceptable, so I ask her to suggest to the strategic health authority that the allocation of resources in Kent and Medway this year and in the years ahead needs to reflect an urgent crisis, which will become more acute in years to come.

In my survey of the local situation, I mentioned the new dental contract. The contract negotiations provide the link to the wider national picture. This debate is particularly timely after Monday's announcement of yet another delay in the introduction of the new contract. The Minister will be aware of how frustrated dentists are, and that that frustration and uncertainty have already been reflected in the number of dentists leaving the NHS.

Dr. Nick Palmer (Broxtowe) (Lab): I am grateful to the hon. Gentleman for giving way, and for enabling us to have this debate. Is he aware that the British Dental Association has welcomed the latest delay?

Mr. Green: I am aware that the British Dental Association said that it thought that the situation is entirely unsatisfactory, which is why the talks broke down in December. The association obviously welcomes the fact that the delay has been introduced. However, the proof of the pudding will be in the eating when it comes to whether serious talks can start that resolve the many frustrations that have caused dentists to become so unhappy. Last July the report of the primary care dental work force, the latest work force review, said that in 2003 there was a shortage of 1,850 dentists in England alone, and predicted that by 2011 that shortage is likely to more than double to between 3,640 and 5,100.

The Government have taken notice of that survey and have announced a plan to recruit 1,000 extra whole-time equivalent dentists by October this year through a number of measures, which I am sure the Minister will address at the end of the debate. However, we need to put that in context as a problem that affects different parts of the population in different ways. It is the most vulnerable communities that are least likely to have

[Mr. Green]

decent access to NHS dentistry, and the community dental service is worse off in terms of vacancies. The BDA has reported that 10 per cent. of posts in the community dental service are vacant, and the average time that those posts remain vacant is 12 months. Clearly that is a worrying situation.

It is also clear that many dentists' frustration is deep-seated. Research carried out towards the end of last year shows that 60 per cent. of high street dentists will either reduce their NHS commitment or quit the NHS altogether. Only 2 per cent. of high street dentists said that they would increase their NHS work on the back of the Government's proposals, while 16 per cent. said that they would stop providing NHS dentistry altogether. Those are worrying findings. To revert to the point made by the hon. Member for Broxtowe (Dr. Palmer) about what is actually happening, I think that the latest figures for those leaving NHS dentistry show a worrying trend.

The figures obviously have to be taken with some caveats because the vast majority of dentists do some private work and some NHS work, but the best guess seems to be that in 2003 about 250 dentists left the NHS, and in 2004 that number increased to more than 300. If we take those figures alone, the Government's plan for an extra 1,000 dentists has to be put into context—more than 500 have left the NHS over the past two years. One of my fears about the Government's proposals to address the crisis is that they are simply pouring water into a bucket that has a large hole in it. Dentists are already leaving in such large numbers that the extra 1,000, even if they can be recruited, will be swallowed up far too quickly.

Lembit Öpik (Montgomeryshire) (LD): Is the hon. Gentleman aware that exactly the problem that he describes is becoming acute in places such as mid-Wales, where almost no NHS dental provision is available to a large proportion of the population? Does he agree that in the long term that will probably cost us more because minor dental ailments will become crises and emergencies, which necessarily cost a great deal more? There is a serious resource issue, which probably will involve higher costs if we do not resolve it in the short term.

Mr. Green: I am sure that that is right. I should make it clear that the idea behind the contract reforms of making dentistry less a problem-solving profession and more a preventive profession seems entirely sensible. The practical effect may be precisely what the hon. Gentleman has just described. I am grateful to him for mentioning mid-Wales because the situation is clearly patchy around the country. I have been struck by the e-mails, letters and phone calls that I have received from different part of the country since this debate was announced. The first came from west Wales and the constituency of Preseli Pembrokeshire where every dentist has now pulled out of the NHS. In an area of high deprivation, in an objective 1 zone, it is no longer possible for an adult to access NHS dentistry.

The NHS Direct advice line is referring people in Pembrokeshire to a dentist in Port Talbot as their nearest NHS dentist, which is 60 miles away. NHS Direct fails to mention that the dentist there is refusing to see anyone from outside his area. Even if they wanted to travel 60 miles, the dentist would not help them. Just before Christmas the local health board brought in some extra provision, but that left 40 people who wanted emergency dental treatment queuing for three hours from 7 am at a special clinic, only to be told that the dentist being brought in was in Ireland and had forgotten that he was supposed to be working that day. That is a terrifying snapshot of what is going wrong.

There are similar tales from other parts of the country. In Portsmouth, people make on average 22 calls before they can talk to anyone about the possibility of dental treatment.

Mr. Mark Hoban (Fareham) (Con): I am grateful to my hon. Friend for mentioning Portsmouth. According to the first letter that I received about a dentist going private, my local PCT, Fareham and Gosport, was telling people to go to Portsmouth, Gosport or Lee-on-the-Solent for an NHS dentist. The NHS Direct website today tells them to go to Eastleigh, some 26 miles away. That shows the acuteness of the problem in south-east Hampshire.

Mr. Green: I am grateful to my hon. Friend for expanding my point. Moving further west again, the chairman of the Cornwall local dental committee says that dentists there are already working like machines. Dentists will not put up with the extra work that the contract will impose on them and growing numbers will go private. About 200,000 adults in Cornwall are not registered with a dentist. That is half Cornwall's adult population.

Hugh Bayley (City of York) (Lab): The real principle behind the new contract is whether we should move from the old system of payment for each individual item of treatment, which encourages over-treatment, to a system where dentists seek to promote good oral health for their patients. Surely that is the right way to go and the Government are right to seek to change the contracts. Are not the minority of dentists who resist that wrong?

Mr. Green: As I said, I think that the principle is perfectly sensible. The problem is that there is a huge gap between the rhetoric and the practical reality. The change clearly has not and is not being made in a way that dentists find acceptable. That is why the situation that I am describing, with help from all parts of the House, has come about.

My last port of call is the north-west and a letter from Mr. Tariq Drabu, the chairman of the Bury and Rochdale local dental committee, in response to the Department of Health's chief dental officer, who wrote in *The Daily Telegraph* about the plan for an extra 1,000 dentists. Mr. Drabu challenged Professor Bedi's statement, saying that he had

"spun and stretched the truth somewhat regarding recruitment of dentists. Yes there will be the equivalent of an extra 170 places per year starting this year and by 2010, 5 years intake will either have been trained or be in training—but by 2010 there will still only be an extra 170 qualified dentists in the system. Add to that the fact that 50 per cent. plus of those will not be whole time equivalents—so in truth by 2010 we are looking at perhaps another 80–100 extra dentists for a population of 60 million not the headline figure of 850 as claimed.

Neither I nor any of my colleagues locally have seen any incentives whatsoever from the government to encourage dentists in private practice to increase their NHS commitment which is completely at odds with what Professor Bedi says. This in spite of the fact that it has been impossible to access an NHS dentist in Rochdale for the past 12 months."

As regards international recruitment we are recruiting from countries who have a worse oral health record than ourselves, where dentists are far more needed. It is a desperate sticking plaster solution to a gaping open wound and until the government seriously addresses the issues of quality care for NHS dental patients and improving working lives for NHS dentists and their teams rather than just being obsessed with access, the problems for NHS dentistry will only get worse."

The point about foreign imports is a good one. They are clearly one solution to the problem, but I confess that I feel slightly uncomfortable about the idea of this country trawling the world to attract dentists, for instance from India, where the ratio of dentists to the general population is 1:36,000. I appreciate all the pressures that are on Ministers, but I hope that the Minister agrees that the idea of this country scouring countries that are significantly poorer than the UK for medical staff makes one feel slightly uncomfortable.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): I hesitate to speak anecdotally, but I suspect that the import of dentists from elsewhere is not new. I recollect that when I was taking my own children, who are now young adults, to the dentist, almost every dentist appeared to be from New Zealand. I think that that was because the New Zealand Government had instituted an extremely good preventive health programme, so there was not anywhere near the level of dental caries in New Zealand that would be required to keep all its dentists going, so some came to this country. Given the age of my children, that was happening under a Tory Government.

Mr. Green: The issue is not new, and I can safely say from where I stand that this country has been significantly enriched by the import of New Zealand dentists. As I said, I fully appreciate the pressures on Ministers, but recruiting vital medical staff from countries that are at a much lower level of economic development than we are makes me uncomfortable.

Hugh Bayley: Is the hon. Gentleman arguing against the freedom of dental staff to emigrate and practise in other countries? Would he block British dentists from going to work in the United States, which is a richer country than ours? Does he believe that Poland, Spain or Germany should prevent their dentists from coming to work in this country?

Mr. Green: No, I believe in the free movement of labour and that individuals in all countries should be allowed to work anywhere. That said, I feel uncomfortable about this country, as a rich, developed country, having to solve its recruitment problems by attracting medical staff from countries where they may be even more desperately needed than they are here. That is not an economic but a moral point. Nor is it a partisan point; I agree with the hon. Member for Milton Keynes, South-West (Dr. Starkey) that foreign recruitment has been happening for a long time. However, it should make us uncomfortable that that appears to be the routine way in which we attempt to solve problems in all parts of the health service, not just the dental service.

All these problems are happening against what is already a difficult background. A National Audit Office report of last November made pretty stark reading, especially in conjunction with the latest adult dental health survey, which showed that the average Briton has lost eight of his 32 adult teeth by the time he turns 45, and that 44 to 45 per cent. of the population are registered with a dentist. Those figures should worry us.

The NAO asked the right question: will the new contract stem the flow of dentists out of the NHS? So far, the answer has been a clear no. If the situation is not reversed as a matter of great urgency, the crisis, currently patchy, will become universal. I do not underestimate the scale of the problem that the Minister faces. I hope that she can give me some reassurance about the special difficulties in my constituency, and that the uncertainty clouding the future of NHS dentistry can be lifted soon. If it cannot, dental health in this country will become an area of embarrassing national failure. All of us would regret that.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. Those hon. Members who catch my eye might care to be aware that the Front Bench contributions must start not later than 10.30 am.

9.51 am

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): It will come as no surprise that I intend to draw to the Minister's attention the deficiencies of the dental service in my constituency. However, I also want to talk about the improvements that have started to happen and to touch on the importance of prevention as well as treatment.

The situation in Milton Keynes, so far as I can tell, is that only one dental surgery in the Milton Keynes primary care trust area is accepting new NHS adult patients, and only a small proportion of surgeries are registering children aged 0 to 18 for NHS treatment. Like the hon. Member for Ashford (Mr. Green), I represent an area of housing growth—it has been growing continuously for the past 20 years—which causes problems in that we are continually trying to fill up the bath with the plug out. That adds to our problems as an area of population growth, although we do not have a population that is significantly less healthy than the average for England and Wales.

The story of a constituent in Bletchley highlights a particular problem. He was trying to get new dentures and had been unable to find a dentist who could provide them. It became clear that the laboratory cost for producing dentures was about £10 more than the NHS fee. We finally managed, after a great deal of negotiation, to get him referred to a local practice that had just taken on an extra member of staff to do NHS work, so there was a good outcome to his case. However, that took a great deal of effort.

Another problem is the lack of an out-of-hours service within a 20-mile radius. My understanding is that it is impossible to get treatment after 9 o'clock in Milton Keynes, Luton, Bedford, Northampton and Oxford. That means that people tend to turn up in great

[Dr. Phyllis Starkey]

pain in accident and emergency departments, and have to be given treatment simply for the pain to tide them over until they can be treated for the problem.

According to my PCT, one of its difficulties, apart from the general shortage of dentists and the fact that more and more have withdrawn from NHS work, is that Milton Keynes, thanks to our Government's stupendous care of the economy, has a hugely dynamic local economy, but that has a negative side as well as a positive one. The negative side is that there are many other employment opportunities, not so much for dentists but for all the other staff whom dentists need to provide a service. In our local employment market, it is difficult to recruit those ancillary staff and retain them.

An additional problem is the high cost of housing in our area, which means that people employed in the public service who would be paid the same wherever they lived in the country find it difficult to move to jobs in Milton Keynes because their effective salary is lower. I ask the Minister to consider that issue, which affects not only the dental services, but the NHS generally. Key worker housing has been made available in Milton Keynes and is helping to deal with the problem, but I ask the Government to keep the situation under review.

From what the hon. Member for Ashford was saying, the situation in Milton Keynes seems to be better, or slightly less worse depending on which way one looks at it, than in his constituency. I am certainly not saying that my constituents have particular and intense problems, but they are suffering like others across the country from general problems affecting the dental service.

Measures have been taken and are starting to improve the situation. There has been a combination of increased Government funding and new innovative ways of delivering the service. I am pleased to have heard recently that the Milton Keynes PCT received Government funding to create 9,000 new NHS registrations. That process is just starting, but I would be grateful if the Minister confirmed the time scale for those new registrations, and what action the strategic health authority will take to monitor progress and ensure that there is no slippage on the delivery of them.

A number of NHS dental access centres have been created in Milton Keynes, which have been extremely helpful in supplementing the normal—if I may describe it that way—conventional dentistry service and enabling people to gain access to dental services when necessary. As well as providing routine care, those centres provide specialist care for priority groups who cannot get to dentists and act as specialist treatment centres for patients referred by other health professionals. Are dental access centres intended as a permanent supplement to the conventional dental service, or are they a stop-gap measure to tide us over during the continuing dental shortages?

A third improvement, which has not yet happened but has been announced, is in the north of my constituency in Wolverton. It is an area of deprivation but a significant amount of extra housing is planned as part of the expansion of Milton Keynes. In November, the Government announced £5 million of funding for a new one-stop primary care centre, including dental health services, in Wolverton to care for the current and expected population. I commend such super-health centres, which provide a much wider range of health services than the conventional GP surgery, bring GP and dental health services together, and will also carry out a number of minor operative procedures currently carried out in hospitals. Plans for another such centre in the further growth area on the western side of the city are being consulted on. I commend those initiatives and hope that the Government will monitor their progress when they open so that they can modify how health services are provided if there are lessons to be learned.

On prevention, as in other areas of health, it is important to encourage people to improve dental health so that the need for dental care is reduced. I alluded in my intervention to my children and the influx of dentists from New Zealand, one of whom told me of the effectiveness of fluoridation there, which had drastically reduced the level of dental caries in children, leading to an oversupply of dentists. That is a very happy experience, which I am pleased we are finally building on in this country.

The amendment to the Water Act 2003 requires water companies to increase the concentration of fluoride in water supplies when the strategic health authority requires it. The evidence in favour of fluoridation is extremely strong. It is particularly important for children in deprived areas whose dental health is much poorer than that of children in better-off families. The fluoridation measures will have the greatest effect in improving the dental health of those children in disadvantaged areas. It is important that we continue to point out to parents and to the population at large the health burden of poor dental health, the problems that occur and the need to build good dental health in children. Good dental health will follow children into adult life. It is very difficult to repair in adults the damage done to dental health by a poor diet in childhood.

I wanted to stress the importance of ensuring that fluoridation is extended, but there are other steps that children and adults can take to improve their dental health. It is important to stress the importance of a balanced diet, the need to reduce the sugar level in foods, which has obvious implications for the labelling of foods to ensure that parents and other adults can choose foods with lower sugar levels for themselves, and the importance of reducing the use by parents of fizzy and sugary drinks for children. Parents and children should be encouraged to drink water or milk rather than drinks with high sugar levels that will lead inevitably to poor dental health.

Finally, it is important to encourage people to give up smoking, not only for the more obvious reason that it reduces heart disease and cancer, but because of the effect of smoking on oral health. Smoking discolours teeth and increases the risk of mouth cancer.

For all those reasons, and despite the primary focus of the debate being on the difficulties of gaining access to dental care, I hope that the Minister will not lose sight of the importance of continuing to stress preventive health measures that will reduce the need for people to seek dental care in the first place and immeasurably improve their health.

Mr. Deputy Speaker: It would be interesting to hear the views of New Zealand dentists.

10.3 am

Sir Paul Beresford (Mole Valley) (Con): You have declared my interest for me, Mr. Deputy Speaker, although it is a little more than that. I have an NHS number and I am a practising dentist, although an extremely part-time one. If someone has toothache on Sundays, there is a chance that they can see me. I am also a member of the British Dental Association, and have dental experience in the NHS and a tiny bit of experience in New Zealand. The comments made by the hon. Member for Milton Keynes, South-West (Dr. Starkey) on fluoride are correct, but she should also mention the school dental services for children in New Zealand, which have also made a dramatic difference.

When I first came to this country, I worked in east London, predominantly in the NHS. Even in those days, however, there was a shift towards private dental care. I also worked in south-west London in mixed practice, and spent a year in the Eastman dental hospital. I have done the rounds, which explains why I am 10 years younger than I look. I have another considerable advantage: I am not on the Opposition Front Bench. I also regularly meet dentists and dental technicians at meetings and conferences.

My constituency has exactly the same problems as the constituencies of everyone who has spoken so far and those who will follow, with perhaps the exception of the Minister, in that we have a shortage of dentists. Most people in my area have the advantage of being able to afford private dentistry, which means that those who cannot afford it have a tough time. There are pockets of quite bad deprivation.

In the past 32 years of my being here, I have been struck by the improvement in dentistry in this country. Several factors are involved, but I know that the reputation of the UK's national health dentistry is not good in other western nations. Dentists in America, Canada, Australia, New Zealand and so on warn their patients who come to this country not to take NHS dental treatment. They advise them to look for a private dentist. However, having said that, things are improving. There have been many changes, but two of the greatest are, first, fluoride in toothpaste and in water supplies—I hope that the Minister takes that seriously, as I will have questions at the end of the debate which I hope that she will be able to answer—and, secondly, the introduction of fees for patients.

The introduction of fees had a dramatic effect on standards, because patients started to take notice of what was being done. They asked the dentist why something was being done a second time when it had been done last year or the year before and so on. If they had to pay for the filling, they asked whether they could have a white one. That brought in change quite quickly, which was stimulated by magazines and the *Daily Mail* Femail pages—it seemed that everyone had to have a "Hollywood smile", although I should be desperately upset if we ever reached that stage. Dentists started to lift their standards, particularly in the past decade, and to examine the available equipment and materials. There has been a huge improvement in that respect, but also a huge change in costs.

When I was at the Eastman dental hospital I spent quite a bit of my time undoing botched work done on patients who came in with toothache. One of the primary areas was in endodontics—root canal treatment. In those days dental schools taught students to use Dr. Sargenti's N2. I said to the professor at Guy's, "Why are you teaching students to use that stuff, which is banned by most western nations?" He replied, "They will have to do national health dentistry and that is the only way to do it quickly." When I pointed out that it had a 60 per cent. failure rate, he just shrugged his shoulders. That was depressing, but even more depressing is that the national health dentist gets about £75 or £80 for doing molar root canal treatment, which will be reflected in the income under the new system. It should take a dentist and one or two assistants between one and one and a half hours to do the work properly, and the capital cost of the equipment—microscope, digital X-rays, fancy nickel titanium files and so on—is more than £20,000. There is also a continual heavy revenue cost because the nickel titanium files can be used only a few times or they break and have to be discarded. If they break at the end of a tooth, the dentist is worried and has to phone his protection society to make sure that he is all right.

The only way to respond to such matters would be to make a large investment. Dentists are asking for £4 billion-plus and, realistically, that is not to be expected, so the question is where we are going. At present, we are going backwards. Dentists are disappointed and upset. We have heard how they are moving out, and I assure the Minister that what they say behind the scenes is unprintable. They have had enough, and if they could get out, they would. They would go into private dentistry because there are more incentives and more opportunities for dentists to produce work that they are proud of and to respond to patients and their demands. That worries me, because although there is a need for that, as I know from my time in east London there is also a desperate need for a basic health service that is oriented towards dental health, rather than fixing things with new private cosmetic treatment.

The hon. Member for Milton Keynes, South-West spoke about the difficulty of getting a full upper and lower denture for a constituent, the cost of which is £100, £200 or £300 from the NHS. Even privately it is not much more than that, but more exotic dentistry, such as full implant replacements, costs £40,000 or £50,000 per patient, which is out of the question. There is a definite health need, but the demand for cosmetics need not and should not be met to that degree by the NHS.

I was astonished when the Secretary of State, responding to a question from a BDA representative at a press conference on the last White Paper, announced that "dentistry was sorted". I have not heard a more incorrect statement for years. The dentists have had enough. The dentists' organisations have had enough—they have ended up walking out. Patients are finding the situation impossible. They believed that, by the end of 2001, they would have the opportunity—according to the Prime Minister—to have access to national health dental services. They probably have that access if they are prepared to drive to it, but they have to drive a long way.

[Sir Paul Beresford]

The new contract was intended to solve the problem, but there are some major problems with it. In an intervention, the hon. Member for City of York (Hugh Bayley) mentioned that there was a fee system that tended to make dentists rush more and do more—I think that "treadmill" was the word that he used. The problem is that one treadmill has gone, but we are bringing back another.

There is pressure from the Government for dentists to meet figures—they will have to meet the agreement on producing sufficient turnover for the finances that they have been promised. That will have two effects: first, it will speed up treatment but reduce the standard of treatment; secondly, it will make the dentist choose a quicker, cheaper option, particularly when laboratory costs and fees are involved. If an elderly patient comes in with a denture that they need to eat with—a genuine health need—which is linked to a key tooth that has suddenly developed an abscess, will the dentist, when he is under pressure, spend two and a half, three or four hours carrying out root-canal treatment, building up the tooth, putting a crown on it and then making a denture to attach to it? I suspect that he will be tempted to say no to that work, although I hope that he will not, and to extract the tooth, which is a poorer treatment for that patient. However, the new treadmill will induce the dentist to do that.

The idea that we will rush undergraduates into the profession and that within five, six or seven years they will all be pouring out of the dental schools to solve our problems is not on. That will not work. To begin with, we do not have the staff to deal with them.

We have also touched on the matter of overseas recruitment. In that context—a point that has not been mentioned—I have deep concern over standards. I was recently horrified to discover that the pass mark required for dentists in the UK, when they sit the international English language test system, has been lowered. Perhaps that has been done for current convenience.

I recognise that the Minister will not be able to answer all our questions today. However, I ask her to write to us all with the answers to those questions that she does not deal with. I shall pose only a few questions, but there are many more. One question that I have asked repeatedly in written form concerns when dentists and their professional organisations can expect sight of a draft base contract. There have been repeated delays. There have been responses to questions, but no answers.

Does the Minister accept that the drive to increase the number of NHS dental patients is seen as a transference from one treadmill to another, and how will she overcome that? The paper-based tick-box system of monitoring, which we as dentists anticipate, will impose pressure throughout dentistry and will, as I mentioned earlier, lead to poorer treatment. However, in the case of one or two dentists—although I do not know any of that sort—it will mean that their golf handicaps will improve.

Does the Minister recognise that the increase in demand for private dentistry with those new materials brings greater patient satisfaction, and that it is a contribution to the dental health of the nation? We think that we have a problem now, but if everyone dropped private dentistry and rushed to the NHS, the overload would be phenomenal.

Can we be assured that the new base contract and the NHS link with dentists will enable dentists to tackle health care in a mixed practice, and that there will not be pressure to cease mixed practice? I want the Minister to recognise that any restriction on private dentistry will have a bad effect on standards and cause an increase in demand on the NHS. Many dentists need that mixture because they undertake a core service on behalf of the NHS, which they are willing to do because they can top it up with the private health service. If they do not have that, many will go straight across to being private. We need to recognise that, under the contract, capital investment is welcome, meagre though it is. There needs to be more recognition that with modern dentistry with changes and the increased costs of modern equipment day-to-day revenue costs are increasing faster than inflation. I am deeply concerned that the PCTs are so overburdened and so ignorant of dentistry that it has become just a little hole-in-the corner job, of no particular interest unless there happens to be local Members—like the two we have heard from today—who will jump up and down on their necks.

Finally, as the hon. Member for Milton Keynes, South-West mentioned, there is the vital issue of fluoridation. We took a teetering step during consideration of the Water Act 2003. Members on both sides of the House supported an amendment, but we are still waiting for the regulations. Can the Minister hurry up the process and tell us when the regulations can be implemented? I am a dentist who, in my tiny part-time work, engages almost entirely in private dentistry. However, NHS dentistry is an important part of the health of this nation. It is oral health against oral cancer, as was mentioned, and agonising toothache with the pain which that gives not only to those suffering from it, but to the employers and the economy of this country.

10.16 am

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): I congratulate the hon. Member for Ashford (Mr. Green) on introducing a very important debate. I will try to speak briefly, as I had the opportunity of speaking in a debate in May 2004 on dental provision in Devon. I do not propose to go over the issues I raised then, describing how our part of the country is one of the hot spots where some problems emerged early. In that debate, other hon. Members and I raised issues to do with the supply of dentists in Plymouth and the wider dental health community in Devon and, indeed, Cornwall. In particular, we were concerned about the importance and future security of the vocational dental health service. That plays a significant role in providing dental care, especially in the poorer areas of my constituency. We talked of the need to establish dental training, at least as an outpost of Bristol—the nearest dental school to Devon and Cornwall—because, as with medical care, dentists tend to go into practice where they were in training, and, vice versa, more people come into training in such a locality. That has certainly been found to be the case with the new Peninsula medical school.

We also talked a lot of the expectation that we might be able to recruit dentists, particularly from within the EU. If the hon. Gentleman feels uncomfortable about that recruitment, I hope the Minister will be able to offer some reassurances. I certainly think from what I know of the progress that has been made that there is no need to feel uncomfortable. I look forward to my hon. Friend's comments, but the hon. Gentleman, and perhaps other hon. Members, should reflect on the fact that the haemorrhage of dentists from the NHS has been going on since the early 1990s, when a deeply unpopular contract was introduced. Indeed, two medical schools also closed then. I will not dwell on that particular political point, but is important to make it, and I urge the Minister to continue to give serious consideration to the training of new dentists, particularly in our part of the south-west peninsula.

I know that there has been progress and look forward to what the Minister has to say about that. Like most hon. Members, I am in regular contact with my local PCT, and have been over a range of recruitment issues since that earlier debate. I thank her Department for its speedy attention, helping us in trying to resolve some issues in finding new ways forward. Plymouth primary care trust is continuing to work hard to stabilise the situation and plan ahead. Some dentists have entered into early contracts. We were an "Options for Change" field site and those contracts appear to be working successfully. Plymouth primary care trust continues to try to maintain those dentists working in the NHS and to improve access where possible, bringing them back into personal dental service local contracts. I hope that the Minister, in responding to the questions raised, will say what the Department is doing to ensure that PCTs such as Plymouth can build with confidence on what they have already achieved. For that, it needs a PCT budget for dentistry and clear guidance, with swift clarification on contracts where such guidance is unclear.

I want to illustrate the point briefly in relation to a practice of five dentists in my constituency, where there seems to be some lack of clarity over both the ability to enter into individual contracts and the need to do so. The point was highlighted by a somewhat frustrated dentist who wrote to me:

"The contract is to run for three years. Both my wife and myself will have retired before the end of this period. None of the other three dentists would be prepared to accept responsibility."

One of the dentists is even likely to return to his own country. The dentist continued:

"It would seem that we are being pushed into the private sector"

by the inability to come to a conclusion over individual contracts. I hope that that can be resolved.

Finally, I want to comment on one or two points arising from the Plymouth city council scrutiny committee. All last year it worked alone and with other scrutiny committees in Devon and Cornwall to try to bring some sense to the difficult situation in the far south-west, of which I know the Minister is aware. A copy of the scrutiny report has been sent to her and I hope that she will pay particular attention to its recommendations about children.

The report recommends conducting a national review of dental health care for children and not giving practitioners of NHS dentistry an automatic right to deregister an NHS child patient, although I do not know whether that is practical, because they are individual contractors and business people. Also, as the hon. Member for Ashford said, children who have been registered with an NHS dental practitioner should be permitted to remain on that practitioner's list, irrespective of whether their parents have registered as private patients following a change in practice by that dentist.

Finally, the report also recommends establishing a south-west peninsula school of dentistry, as part of our new Peninsula medical school, which is establishing such first-class representation in other medical fields.

10.23 am

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I will not pretend that the problem can be laid entirely at the Government's door. I remember debating the very same point under the Major Administration with the then Secretary of State for Wales, the right hon. Member for Wokingham (Mr. Redwood). In a debate in 1993, he agreed to provide a grant for Welsh dentists to set up in NHS practices, which partly alleviated the problem. However, I live in one of the most rural parts of Wales. My constituency is 100 miles north to south and 100 miles east to west, but we have only two NHS dentists in the entire area. The out-of-hours emergency provision is two hours on a Sunday morning and a 150-mile round-trip a three-hour drive which is absolutely third-world stuff.

A proud elderly lady from Bala came to see me recently and said that she had to see her GP more often because her oral health was suffering owing to the fact that she cannot access reasonable treatment. We face a crisis. I have a list from the Gwynedd local health board of 30 dentists in the county, 29 of whom will not accept adults on the NHS and one of whom will do so from April 2005. The situation is extremely disturbing.

There is of course an uneven distribution of dentists. Many dentists have told me that students often train in dental schools and then get attached to urban practices, where high-paid cosmetic work is undertaken. They are attracted to that work rather than to rural areas. There is no doubt that it is placing considerable pressure on GPs. As I mentioned, the lady from Bala gave such evidence. As has been said, dentists are frustrated by the lack of time available to spend with patients to offer proper preventive advice. None of this is new; it has been happening for some 10 years, but it is now even more urgent that something be done.

The Prime Minister promised at the 1999 Labour party conference that anybody wishing to access NHS dental provision would be able to do so by 2001. However, the position in Wales is probably far worse than in 1999. Overall, there are 0.36 NHS dentists per 1,000 population in Wales, according to a study undertaken by Bath university that was published in May 2004. That compares, for example, with 0.6 in the Czech Republic, 0.7 in Belgium and Germany and 0.8 in Norway—so we are lagging behind. Worse still, only 46 per cent. of adults in Wales are registered with an NHS dentist, and that figure has not improved since 2000. As was recently acknowledged by the Minister responsible

[Mr. Elfyn Llwyd]

in the Welsh Assembly, that figure has remained constant, with 40 per cent. of children in Wales not registered with an NHS dentist. The overall result, according to the Joseph Rowntree Foundation, is that five-year-olds in Wales have, on average, twice as many missing, decayed or filled teeth as youngsters in the west midlands or south-east England. That is a serious position and, obviously, something needs to be done.

The report of the Select Committee on Health in 2001 said:

"We consider that dentistry has never been fully integrated into the NHS and as a result, major health inequalities exist. We believe that the present arrangements for accessing NHS dentistry are inequitable, uncertain and getting worse; patients do not know where they stand. Unregistered patients find it hard to get any form of care. Registered patients can lose that status without redress and often without knowing that they have done so."

It went on to say:

"Certain very vulnerable groups of patients, such as elderly people and those with dementia, face particular problems."

It is far worse in rural areas. Perhaps the Minister will consider the fact that the Ceredigion local health board is offering bursaries of £12,000 for students who train in dentistry and come back to practise in the Ceredigion area for five years after graduation. I do not know whether that scheme commends itself to her, but it might be a way of dealing with the problem.

I fully appreciate that there is no single answer, but I have spoken recently with several dentists about the subject. One in my constituency, Dr. John Swain of Dolgellau, told me that the position is far worse in rural areas, as we know, but that one of the problems is that smaller practices need financial assistance to take in trainees. That might also assist. I have spoken with the Secretary of State for Wales, also the Leader of the House, who thinks that that is a good idea, so I ask the Minister to take it further. If the right hon. Gentleman has not spoken with her, would she be prepared to discuss it with him? I have tried to be as brief as possible in the light of the time constraints, and I am grateful for this opportunity to raise this important matter.

10.29 am

Dr. Nick Palmer (Broxtowe) (Lab): I shall be brief. Most dentists are happy to work for the NHS if they can do so with reasonable terms and conditions, and most patients are not really too concerned with the detail. As virtually every speaker has said, they simply want the access. During periods of uncertainty, dentists are open to approaches from private groups, which pursue them with somewhat predatory zeal. Once they are signed up, they turn their ruthless marketing on to the patients. At least two of my constituents say that they were told in the surgery by Denplan salesmen that unless they signed up at once, they would find that not one dentist in Greater Nottingham was taking on NHS patients. That is, frankly, a fat lie. It is therefore important that dentists who are keen to stay with the NHS should be able to negotiate their arrangements as quickly as possible. I have been corresponding with the Minister on behalf of my constituent Andrew Keetley. In the last exchange I said that discussions with him were continuing, but he says that he has not heard anything for quite a long time. I appreciate that not every application can be granted or considered, but it would be good if those matters could be brought to a conclusion as quickly as possible.

10.30 am

Mr. Paul Burstow (Sutton and Cheam) (LD): I congratulate the hon. Member for Ashford (Mr. Green) on securing the debate. It is useful for the House periodically to review progress on the issue. The progress has been rather depressing; the figures suggest that it is still in reverse rather than going forward. I want to comment on two or three points that have been raised in the debate, which is timely in view of the written statement that was made on Monday, with its remarkable closing words:

"The changes which we have been making to NHS dentistry are proving to be very successful as evidenced by the high level of interest among dentists in moving to new ways of working."—[*Official Report, House of Commons*, 10 January 2005; Vol. 429, c. 8WS.]

Surely the best measure of how the Government are doing is the number of people with access to an NHS dentist.

Reference has been made to the Prime Minister's promise of 1999. Back in 1997, 51.8 per cent. of adults were registered with an NHS dentist. According to new figures that I obtained from a written answer in December, the figure for 2004 had fallen to 38.8 per cent. The number of children registered has fallen alarmingly from 65.7 per cent. in 1997 to 54.6 per cent. in 2004. The hon. Member for Milton Keynes, South-West (Dr. Starkey) referred to the aspiration—I think that that is how it must be described at the moment—of 9,000 new NHS registrations. On the basis of answers that I have received, I would suggest that only one in five NHS dentists is registering children at the moment, and that only 14 per cent. are registering charge-exempt adults.

The most vulnerable are struggling to find an NHS dentist anywhere with a book that is open and to which they can be added. In my constituency, I found from a survey that I undertook last year that 30 of the 69 practices were not taking NHS work. Some people might uncharitably claim that the Government's two-pillar approach to dental reform—the local commissioning of dental services by primary care trusts and the new contract—is fundamentally undermined by what the Government said in their written statement on Monday; they might say that those pillars are crumbling.

Mr. David Drew (Stroud) (Lab/Co-op): Does the hon. Gentleman agree that part of the problem is the extent to which dentists have ceased to believe that the British Dental Association speaks for them? Dentists in my area feel that the negotiations are problematic because of uncertainty about whether they are truly represented.

Mr. Burstow: I am not here to speak for the BDA, which will speak for itself. I am sure that dentists will make representations through hon. Members such as the hon. Member for Stroud (Mr. Drew).

Hugh Bayley: Will the hon. Gentleman give way?

Mr. Burstow: No. I am trying to make progress in a very short time, and the hon. Gentleman has made several interventions.

The PCTs were found by the National Audit Office to have had little experience of high street dentistry, as the hon. Member for Mole Valley (Sir Paul Beresford) said. They are already absorbing a huge agenda of change, not least of which is the GP contract. Monday's written statement explained that the delay is needed to give PCTs the time to prepare for their new role. It also explained that a longer lead-in time is necessary to allow public consultation on key aspects of the matter, and so that the parliamentary process can be fully observed.

How on earth can we be presented with a statement at the beginning of this year telling us that the parliamentary process needs fully to be observed? Why was the Department unaware of the need to do that when it was programming the implementation of the reform years ago? Why on earth has the Department only now woken up to the fact that the National Audit Office warns that PCTs are not ready? Why did it not make its own assessment and reach the same conclusion, so that it could have put in place the measures to provide PCTs with the necessary capacity?

The dental work force review was commissioned by the Department in July 2001, and was the first since 1987—it was very welcome for that reason—but it was not published until July 2004. It had sat in the Department from autumn 2003. We have heard that shortages of up to 5,100 dentists are forecast for 2011 and that the number going through training in the next few years will not fill the gap. Surely, that will necessitate substantial overseas recruitment, and regardless of whether one supports the idea of open access and the free movement of labour, there must be serious questions about safeguarding the ethics of overseas recruitment to ensure that we do not poach resources from countries that can ill afford to lose them.

The hon. Member for Ashford referred to NHS Direct, and it is worth noting that calls to it about dental matters have increased by 77 per cent. over the past two years, against an overall increase in calls of 10 per cent. So, there is a huge underlying problem, with people failing to gain access to NHS dentistry services and seeking emergency access.

The second pillar is the new contract. We need the details of that contract, and it would be helpful if the Minister said when they will be shared with those in the BDA, with whom the Government are negotiating, so that things can begin to move forward.

Will the Minister also say something about how the new charging regime will interact? There is a question about the extent to which it will generate a financial shortfall in funding for NHS dentistry. Given that the NHS health economy has a £500 million deficit, which is growing, according to the *Health Service Journal*, how will that shortfall be met?

The hon. Members for Milton Keynes, South-West and for Mole Valley referred eloquently to prevention, and the absence of a reference to it in the White Paper on public health gives cause for concern. I hope that the Minister can clear up an issue arising from the written statement. It would be useful if she clarified the Government's attitude and intentions towards the National Institute for Clinical Excellence guidance on the call-up for checks by saying when they will be rolled out and implemented.

There is no magic solution to fixing NHS dentistry. The current direction of travel—local commissioning through PCTs, provided that they have the necessary capacity and skills, the long overdue reconstruction of the work force, and the new contract, which will, I hope, move us to a system that is about prevention, not drill and fill—has to be the right way forward.

The question, however, is whether the Government have prosecuted things in an aggressive way that shows that they recognise that there is a serious problem. I do not think that they have, in their eight years in office, prosecuted the reform and improvement of NHS dentistry with anything like the pace that was necessary. That is why things have become worse over the past few years, not better. Indeed, that is why I fear that they will get much worse and why, for some years to come, many of our constituents will continue to suffer the anxiety of being unable to find an NHS dentist. Although the Government inherited a very poor legacy from the Conservatives, they have not done enough to put things right.

10.38 am

Dr. Andrew Murrison (Westbury) (Con): I congratulate my hon. Friend the Member for Ashford (Mr. Green) on his success in securing this timely debate. At the heart of it lies the famous pledge made at the Labour party conference in September 1999 that everybody who wanted it would have access to NHS dentistry within two years. I think that the Chancellor would bear testimony to the fact that one should not necessarily take prime ministerial pledges at face value, but we were perhaps entitled to expect that we would have something rather different from what we have now. Although dental access centres provide theoretical access, we have heard ample testimony today to the fact that most of our constituents have great difficulty accessing NHS dental care.

Mr. Hoban: Is my hon. Friend aware of the recent survey that indicated that only 40 dentists in Hampshire, Dorset and the Isle of Wight are taking on new adult NHS patients? No wonder people feel angry and bitter that the Prime Minister's pledge has been broken.

Dr. Murrison: My hon. Friend is absolutely right. I used to be a dental patient in Hampshire, and his comments come as no great surprise. They will, of course, be reflected throughout the country.

The proportion of adults registered with a dentist has steadily fallen from 55 per cent. to 46 per cent. today. There might be some dispute about those figures, and I have heard different ones bandied about, but I believe that those are the official figures. However, we can all agree that things are bad and getting worse. Worse still, dentists are leaving the NHS in droves so the debate is timely.

Hugh Bayley: I agree. There are big problems in my area. However, does the hon. Gentleman not agree that there are things that we can do in our localities to make things better? I convened a meeting of the strategic health authority, the primary care trust and the local dental committee in York. As a result, we have got through personal dental services contracts for seven

[Hugh Bayley]

practices, which will take on an additional 5,000 patients, and we have established an open-access urgent treatment centre. There are problems in my neighbourhood, but if we work with our local health bodies we can get them to address such problems, using the tools that the Government are making available.

Dr. Murrison: I am grateful for the hon. Gentleman's intervention. From what he has said, the picture in his constituency seems to be somewhat better than that in mine. In my constituency—I suspect that it is typical—the PCT that is being encouraged to run such things is struggling. I believe that it will continue to do so, for reasons that I shall explain. Can the Minister tell us why, according to Monday's announcement, the Cayton report will not be given a full airing until the summer? I shall be grateful if the hon. Lady confirms that she has it, and I would gently suggest to her that this might be a good opportunity to share its contents, which will be crucial as we pick up the pieces of Monday's announcement.

The Consumers Association would also like to see the report. It says that the fear must be that the Government are running scared in the run-up to the election. It suspects that they want to delay publishing their proposals to set charges that are higher than the public can stomach. Others have suggested that the extraordinary delay is because the Government know that the anticipated three-banded system will not work. It will be interesting if the Minister can say which of those two possibilities is correct. We have to accept that progress since the beginning of December has been something of a dog's breakfast. We began with a very poor backdrop: the dental work force review, which was delayed by two years and published early last year.

The sorry saga has, I am sad to say, gone from bad to worse, with the most recent chronology going something like this: on 7 December, hours after the Minister of State, Department of Health, the hon. Member for Doncaster, Central (Ms Winterton), confirmed at the Dispatch Box that arrangements on dentistry were proceeding on time, the British Dental Association walked out of contract negotiations. Lester Ellman, chair of the BDA general practice committee, said:

"We have been proactive in our discussions with the Department of Health but the traffic has been almost entirely one way. To continue would be to devalue NHS dentistry, and to let down the dentists we represent."

Earlier that day, the Minister had told us, in a fairly upbeat way:

"Preparations for the most far-reaching reforms of NHS dentistry since 1948, founded on the delegation of new contractual arrangements to primary care trusts, are proceeding on time."—[*Official Report*, 7 December 2004; Vol. 428, c. 1027.]

The following day, I raised the Minister's assurances on a point of order. On 14 December, Sir Nigel Crisp, reflecting on the BDA walk-out, told the Public Accounts Committee, surprisingly perhaps, that the association's involvement was

"not absolutely crucial for us"

and that

"we would not expect the timetable to slip."

Confirming that on 21 December, the Health Secretary wrote to my hon. Friend the Member for South Cambridgeshire (Mr. Lansley):

"I can assure you, as Rosie Winterton assured the House on 7 December, that we are on course with our programme of reform."

Yet in an official ministerial statement published on Monday, the Health Secretary announced plans to delay the introduction of the new dental contract until April 2006. Further consultation has been deferred until the summer; I have to ask the Minister why.

Cynics would say—heaven forbid—that in the intervening period we are highly likely to have a general election, and that there is, perhaps, an attempt to delay dealing with what has become an extremely difficult subject until after that general election. As others have said, it is not for want of warning. The BDA, the NAO and PCTs have indicated all along that PCTs do not have the capacity to take on responsibility for commissioning dentistry. It is hardly surprising that things now have to be delayed, and I am not surprised that, as the hon. Member for Broxtowe (Dr. Palmer) said, the BDA welcomed Monday's announcement. It has said all along that things are simply not right for PCTs to take on responsibility for dental commissioning.

Monday's ministerial statement claimed that there has been progress with recruiting dentists from overseas. We are told that the Government intend to recruit 230 dentists from Poland and that they have engaged a recruitment agency to do the job at a cost of £3.8 million, which is £16,500 per dentist going directly to the agency if my mathematics is correct. We also understand that a £10,000 golden hello will be provided to dentists from Poland who wish to work in this country.

Can the Minister offer a justification for spending £16,500 per dentist, given that EU practitioners do not need to take the international qualifying exam and could go straight on to the UK register? While she is about it, can she explain why we no longer have mutual recognition with dental schools of other Commonwealth countries? We have corresponded on this subject before, because it seems to me that there is potential for recruiting dentists in a fairly trouble free way, as we used to do.

In response to the points made by the hon. Member for Milton Keynes, South-West, there is a real ethical difference between recruiting surplus dentists from countries such as New Zealand and recruiting them from those countries where they are desperately needed. I would be grateful if the Minister told us the true cost of the Government's recruitment exercise and how many dentists have started to work here as a result. How long will practitioners, so expensively recruited to the NHS, be tied to the NHS?

A little while ago some representatives from the Dental Laboratories Association came to see me and we had a fruitful meeting. They pointed out that in dental pilot areas their members' work had fallen by 70 per cent. Has the Minister reflected on that and drawn any conclusions? Does she, like me, suspect that one of the factors in pilot areas is that dentists are much less likely to refer expensive work to dental laboratories because of

the perverse incentive that is acting there? I do not want for one moment to decry the pilots that are being carried out, but it is important to take note of concerns that have been expressed by organisations such as the DLA and ascertain whether the quality of work in those areas has fallen off as a result of the pilots.

Our consultation document, "NHS dentistry—proposals for modern oral health", is based on five pillars, not two like the Government's. They are: registration, capitation, a low-cost voluntary monthly payment scheme for non-exempt adults, oral health promotion focused on children and a greater role for the National Institute for Clinical Excellence in determining an evidence-based schedule for NHS dentistry.

Almost all the responses have been positive. One described the review as refreshing and a clear step in the right direction. Another said that the document was impressive, showed a great understanding of the issues that had allowed dentistry to be sidelined, and offered good solutions to many of the issues pertinent today. Other respondents said that they broadly supported many of the underpinning five pillars of the Conservative party's action plan, adding that the plan was cogent and well constructed.

Those positive responses give us good grounds to hope that our solutions, when they are announced very soon by those higher up the food chain, will be well received both by the profession and, more importantly, by patients. In the meantime, I hope that the Minister will use the opportunity provided by my hon. Friend the Member for Ashford to explain why the Government have given up on dentistry.

10.49 am

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate the hon. Member for Ashford (Mr. Green) on securing the debate. I am well aware that there are big challenges for NHS dentistry. We have seen from the number of Members on both sides of the House who are present in Westminster Hall that the matter is of concern to their constituents. I hope that I will be able to give some reassurances about the action that the Government are taking.

I take on board many of the points that have been made, but as my hon. Friend the Member for Plymouth, Sutton (Linda Gilroy) said, Conservative Members have to take some responsibility for the very unpopular contract that was introduced in the 1990s, the resulting cuts in fees and the closure of two dental schools. I do not say that we immediately have all the answers, but let us be honest about where some problems arose. That is why we are dealing with the situation today by introducing radical reforms to NHS dentistry. As hon. Members know, we have a drill-and-fill system under the current contract in which dentists are paid for the work that they do, which in a sense is invasive. The problem is that the money reverts to the centre if dentists decide to leave the NHS, and it is not possible for that money to be replaced at local level. By radically changing the system of commissioning at local level, we are enabling PCTs to carry on using their money to commission at local level rather than losing it from the area, as happens at the moment. We are backing up the changes to local commissioning with a 20 per cent. increase in the amount of money that we are investing in NHS dentistry. We are also putting massive extra resources into NHS dentistry.

Those are key changes. We are also introducing a new contract for dentistry that will enable the changes in preventive care to which my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey) and the hon. Member for Mole Valley (Sir Paul Beresford) referred. That is exactly what dentists have been saying. They do not like the way that the contract works and want it to change so that it will reflect modern ways of working. That is why we are making the changes. Over and above that, we are also thinking about how we can introduce a new system for charges and for gathering remuneration from dentists that will make things simpler. That will not replace one treadmill with another.

The hon. Member for Westbury (Dr. Murrison) talked about the report on patient charges. We are keen to ensure that we get that right, and I want to do more work on that system before we finally decide exactly how it will work. Various options are available to us, and I want to ensure that there is the least bureaucratic system for dentists and one that enables us properly to monitor public money.

So, we are spending about £368 million more on NHS dentistry in the long term. We will be training more undergraduates, as my right hon. Friend the Secretary of State for Health announced recently. In the short term, we have allocated £59 million in the past year to address some real and immediate access problems. We will recruit an extra 1,000 dentists in two ways. First, we are allowing many dentists to move to the new personal dental services system. About 3,500 dentists now say that they like the new ways of working. We also have several PDS applications in the pipeline, which we want to ensure that we can process. Again, we want to give PCTs more time to move dentists over to the new system, because those dentists are voting with their feet and showing that they like the new ways of working. That gives us the opportunity to ensure that we have learned lessons from some new PDS sites when we bring in full implementation.

There are several points to make about international recruitment. First, we do not recruit dentists from countries that have no surplus of dentists and that do not want us to take dentists from them. We are making good progress. Polish dentists have begun work in the constituencies of the hon. Member for Westbury and my hon. Friend the Member for Plymouth, Sutton. Problems remain in my hon. Friend's constituency, but extra money has been allocated and international recruits are going into her area. I invite Members to meet some recruits from India whom I met at the Eastman dental institute, where the hon. Member for Mole Valley trained. There is a high level of expertise, and it is vital that we use it.

Changes are taking place at a local level with the extra money that we have allocated to PCTs. I met my hon. Friend the Member for City of York (Hugh Bayley) and representatives of the PCTs in his area, and he is right that plans have been formulated and extra money has been allocated. I congratulate him on working closely with his PCTs to that end.

Hugh Bayley: The new PDS contract is making a big contribution in York, but the largest and longest-established NHS practice in York is concerned that a contract currently being negotiated may not be

[Hugh Bayley]

approved. Will the Minister give an assurance that any practice that wants to transfer to PDS will be able to do so and that it is just a matter of agreeing the terms?

Ms Winterton: It is certainly a matter of agreeing terms. The Department of Health has set up a support team and increased the number of people dealing with PDS applications. I will take up the point made by my hon. Friend the Member for Broxtowe (Dr. Palmer), and I can also tell my hon. Friend the Member for Milton Keynes, South-West that 9,000 registrations are expected over a three-year period. One new dental practice is starting this spring, followed by four later this year.

In Ashford, £65,000 has been allocated to the local PCT to improve immediate access problems, and I will write to the hon. Member for Ashford about the various dental practices to which that money has been allocated. In the immediate term, there are plans for some 2,500 extra registrations.

I have addressed the points made by the hon. Member for Sutton and Cheam (Mr. Burstow) about the new contract—discussions have taken place and will continue to take place. As I said, I shall pursue the points made by my hon. Friend the Member for Broxtowe, and I will pass on the comments of the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) to my right hon. Friend the Secretary of State for Wales.

Nationally, plans to change the system of commissioning dentistry are proceeding, but at local level changes are already being made. Dentists are telling us that they like the new ways of working, and we have also made £59 million available to address some immediate problems.

To address the point made by my hon. Friend the Member for Milton Keynes, South-West, there will always be people who do not register with a dentist, so there will always be a role for dental access centres. I am aware that colleagues, such as my hon. Friend the Member for Plymouth, Sutton, continue to experience difficulties, but the field site in the south-west peninsula has provided opportunities for us to examine new ways of working, and I congratulate her local health authorities on that.

The changes will make a difference to NHS dentistry. I know that there are immediate access problems, but I hope that I have given some reassurance that we have a vision for the future and radical reform, which is backed up by a massive increase in investment in NHS dentistry, both in the short and longer terms.

Women Prisoner Suicides

11 am

Sandra Gidley (Romsey) (LD): I welcome the chance to highlight the high rate of suicide among women prisoners. I first became aware of the subject when I chaired a women's Liberal Democrat meeting at conference and met a lady named Pauline Campbell, the mother of the late Sarah Campbell, who died in Styal prison on 18 January 2003. There is a certain irony in the fact that I have managed to secure this debate when the inquest into Sarah's death is being held. The more I looked into the matter, the more I realised that the high rate of suicide among women in prison is a symptom of all that is wrong with how the criminal justice system, and particularly the prison system, treats women.

The facts are simple. I am sure that the Minister is aware of them, but I will repeat them for the record. In 2003 the female prisoner population reached 4,595, but that hides the fact that more than 13,000 women were in prison that year. There were 14 female suicides in 2003 and 13 in 2004. The Home Office, for some reason, prefers to use the term "self-inflicted death". I am not sure why. I shall stick to the term "suicide".

Of course, men commit suicide as well, but while women make up just over 6 per cent. of the prison population, they account for 15 per cent. of the suicides. They also account for 45 per cent. of the incidents of self-harm in prison, which are connected to the subject of suicide. Inquest, which campaigns against deaths in custody, said that the high number of female prisoner deaths was "desperate, depressing and shameful".

It seems clear to me that different factors are having an impact on women and that the reasons for the difference in suicide rates must be investigated. It is pertinent to look at the differences between the male and female prison populations. The key difference is the type of crime committed. Women are much less likely to have committed a violent crime. Only 10 per cent. of women in prison have committed a violent crime. More than 40 per cent. of women are jailed for crimes of an acquisitive nature—theft, to the average person—and 11 per cent. are jailed for drug offences. It is thought that a high proportion of the theft offences are linked to the need to steal to fund a drug habit, but it is difficult to establish a precise figure.

The evidence shows that women in prison suffer from a number of mental health problems. Two thirds show symptoms of at least one neurotic disorder such as depression, anxiety or phobia. More than half suffer from personality disorder. That can be compared to the general population, in which less than a fifth of women suffer from those disorders. Half the women in prison are on prescribed medication such as anti-depressants or anti-psychotic medicine, and there is evidence that the use of such medication increases while in custody. As if that was not enough, studies have shown that many women in prison also have serious drug problems, and about 40 per cent. could be described as harmful or dependent users of drugs.

It is clear that we are dealing with some of the most vulnerable members of society, particularly when one bears it in mind that one in four female prisoners spent time in local authority care as a child. The problem is

much wider than trying to pin blame on the Prison Service. Forty per cent. left school before the age of 16 and more than half say that they have suffered domestic violence. One in three have experienced sexual abuse.

Prior to 2003, a high proportion of female suicides were to be found among remand prisoners. According to Government figures, in 2003 there were no deaths of females on remand. However, figures from the Howard League for Penal Reform indicate one death of a remand prisoner, so I am not quite sure how the difference has arisen. Either way, that seems to be a reversal of the trend and suggests that special attention has been paid to remand prisoners, but there is no room for complacency. We also have to take into account the number of failed suicide attempts and incidents of self-harm.

The situation of women at Holloway prison was recently highlighted by *The Guardian*:

"Officers at Holloway prison are cutting down five women a day from nooses, the Guardian has learned, and recently saved one inmate six times in a single night."

The article goes on to describe those women as the lucky ones because they did not succeed. It also quotes Deborah Coles of Inquest:

"'We know that prisons cannot keep women safe: it is not just those who are dying, but the numbers who are self-harming and committing suicide every day.'"

Seventy per cent. of the female prisoners at Holloway are on remand. It is clear that any improvement in the death toll among female remand prisoners is a temporary blip, as the rate of attempted harm remains unacceptably high, but I hope not. I have been told that there are hopes that the situation will improve because there are plans to reduce the proportion of remand prisoners at Holloway. However, there might be a problem if more remand prisoners are dispersed around the country to units that perhaps are not quite so used to dealing with the specific problems of Holloway.

Jeremy Corbyn (Islington, North) (Lab): Holloway is part of my constituency and I made a lengthy visit to the prison last week to discuss the whole process. Obviously, there are tragedies in Holloway, as I am sure the hon. Lady would accept. Does she also accept that the tragedies that occur there are largely a result of sentencing policy rather than of the prison itself, that the prison has made enormous efforts to try to support the prisoners—for example by giving them access to the Samaritans helpline—and that the staff involved in these tragedies also suffer terrible traumas? I am convinced that Holloway is doing its best to care for the women there, but frankly many of them simply should not be in prison.

Sandra Gidley: The hon. Gentleman makes a good point. I was not going to mention this, but perhaps I should have said that often the staff feel that they are struggling with the system too. They want to help but often cannot because of resource problems or just the sheer volume of the problem. I shall return to the sentencing point, because that is also pertinent.

It is helpful to think about how female prisoners are treated from the moment they enter jail. In fact, the system starts failing women even before they enter prison. The first point to bear in mind is that many women do not expect to find themselves in jail, because of the nature of the crime that they committed. They might not have thought that they could be put in jail for a theft, for example. A report by Her Majesty's chief inspector of prisons in 2000 said that more than half of new prisoners appear not to have expected to be remanded in custody and may not have made preparations for it. Has the Minister given any thought to a system such as that which operates in the Netherlands? There, if a decision is made that a woman with children should be jailed, she is given a breathing space so that she can go home and make appropriate child care arrangements.

The "First Night in Custody" project conducted interviews with 1,400 women coming into Holloway for the first time. On analysing the data, the Revolving Doors Agency learned that 42 of the women—3 per cent.—had no idea who was looking after their children and that 19 children under 16 were looking after themselves. The former figure does not include those women who knew who was looking after their children but had not expected to be separated from them that evening.

Clearly, separation from their children is traumatic for any parent, but I believe that separation has more impact on women because they have generally spent more time with the children and have taken on the major responsibility for caring for them. I find it shocking that the Home Office does not seem to see any need to keep a record of how many children are affected. We have heard much about joined-up government, and that information should be collected even if it is only so that social services can check that all is well with what is probably a vulnerable family.

Answers to fairly recent parliamentary questions show that

"for every female prisoner, there are roughly 1.5 children in the community"

and that

"prior to going to prison, 60 per cent. of the female prisoners who were mothers had been looking after their children at home."—[*Official Report*, 5 January 2004; Vol. 416, c.16W.]

An earlier answer showed that 66 per cent. of the female prison population were mothers of children under 18 and that more than one third of the mothers had one or more children under five.

Clearly, the process is stressful, but the Prison Service seems to have ways of adding to the stress. In a debate in another place on women in prison, Baroness Gale pointed out that Holloway does not have a lock-out system. I think that that is well meaning on the part of Holloway, because it thinks that it should be able to receive prisoners at any time. However, many male prisons in the area do operate a lock-out, which means that after, say, 7 o'clock they will not receive prisoners, so men are usually dealt with first and women are frequently kept in the transport van for long periods. A new system of escorting prisoners was due to come into effect last summer, but I understand that the option of escorting female prisoners separately from male prisoners is deemed to be prohibitively expensive. Has the Minister assessed whether the new system has improved things for women?

Women arrive stressed from the impact of not expecting to be in jail and of the inefficient transport system, combined with concern for their children if they

[Sandra Gidley]

are mothers. Sadly, things do not get much better. The Prison Reform Trust report "Lacking Conviction: The rise of the women's remand population" goes into detail about what happens next:

"When women enter custody on remand they are often subject to dehumanising treatment. This is largely due to the sheer numbers of remanded women and the problems they present."

The report of Her Majesty's chief inspector of prisons on Styal prison goes into detail on how women are treated on arrival. I do not have time to read it all, but the following sample will give the flavour:

"Women who have been newly sentenced or newly remanded into custody are known to be at risk of self-harm. It was therefore of great concern to find that many of the women we found sitting on the floor had been shuttling back and forth from magistrates courts and police cells for between two and four days. We talked to several of these women who had been locked out for some days. One woman was several months pregnant and another was 19. One woman aged 35 was detoxifying and concerned about her medicatiorf. They all looked exhausted and confused."

The chief inspector suggested that there is a strong link between the treatment of those women—he used the word "humiliating"—and the strong evidence that the risks of self-harm and suicide attempts are highest during the early days of custody. A later report in June 2004 found that women arriving at Styal were still lacking support and 48 per cent. of women surveyed said that they had not received any help or support from Styal within the first 24 hours of arriving. I think that that is due to the pressures of the system rather than the hard-heartedness of the staff.

It is worth picking up on the woman who was detoxifying and concerned about her medication, because it is believed that a relatively high proportion of female prisoners have a drug dependency problem. In an ideal world, the system should be able to identify those people and start providing appropriate help and support as soon as possible, but we do not live in an ideal world and I was disappointed that in response to a written question last June the Minister told me that data on the matter are not collated centrally.

The chief inspector's report on Eastwood Park in 2001 said:

"The initial services offered to women who had recently arrived and were withdrawing from substance abuse were uncoordinated and not meeting their needs."

That is of particular concern because responsibility for health in prisons is being transferred to primary care trusts. If the Home Office does not have any understanding of the scale of the problem, although I cannot believe that it does not, it will be difficult to get the PCTs to deal with the problem adequately. That is particularly so when drug rehabilitation services generally are often very difficult to access.

Eastwood Park is in the constituency of my hon. Friend the Member for Northavon (Mr. Webb), who tells me that the local PCT has real concerns that it will not receive adequate funding to deal with some complex problems that it will inherit. Any information on how the system will work and how the funding formula will be calculated will be welcome.

Even if a detox programme were able to commence, there is the added problem that women are often in jail for comparatively short periods. I do not complain about the length of the sentences, but unless services start quickly and there is some attempt to continue them when a woman leaves prison, any positive work will be negated when the woman returns home.

I mentioned the high rate of mental health problems in women's prisons. It is worth repeating that 37 per cent. say that they have attempted suicide at some time in their life. The many stories of women who have succeeded in taking their own lives highlights the fact that friends and family members have often raised concerns in the days and sometimes hours before a suicide. In January last year, the Minister was asked

"what proportion of the female prisoners who committed suicide had previously been identified as at risk through the use of the HM Prison Service form F2052SH in each of the past four years."—*Official Report, House of Commons*, 5 January 2004; Vol. 416, c. 17W.]

The answer was staggering: all the women had been on an open F2052SH at some point during their imprisonment. In 2003, 64 per cent. were on an open form at the time of their death. In 2004, that had reduced slightly to 50 per cent., but it is still a very large proportion.

That is a damning indictment of the prison system's ability to keep its prisoners safe. It calls into question the accuracy of the review process and means that we need to examine the circumstances of the suicides and to learn from the failures of the system.

I conclude by highlighting one further area of concern: family contact. There are a small number of women's prisons, so women are more likely to be held long distances from home. Half of all women prisoners are held more than 50 miles from their home town and a quarter are more than 100 miles away. A Home Office study found that only half the women who had lived with their children or been in contact prior to imprisonment had received a visit since going to prison.

I have not painted a pretty picture. Clearly, action must be taken, and I am aware that the Government have launched their suicide strategy. However, although that is welcome, far more fundamental changes must be made. The first change relates to the point raised by the hon. Member for Islington, North (Jeremy Corbyn). We need to ensure that we jail only those women who really need to be in jail, whether that be because of the seriousness of their offence or for the protection of the public. The judiciary seems to take the attitude that it is okay to send women with children to prison for short periods without taking into consideration the wider impact on the family. If there is a will to reduce the number of women in prison—many of whom are imprisoned for relatively minor offences—the Home Office must impress the importance of those considerations on the judiciary.

Many people have called for the establishment of a women's justice board, which would address the particular needs of women in prison, and I fully support that call. We also need to ensure that there is a clear strategy for identifying the needs of women prisoners as swiftly as possible. A service is needed that is capable of dealing with child care, housing, mental health and drug rehabilitation services.

I began by mentioning Sarah Campbell. Action must be taken for her sake, for the sake of the 26 other women who committed suicide over the past two years and for the sake of all those who tried to do so and did not succeed. This problem is not a happy legacy for the Minister to take on, but I believe that he is concerned about it. I look forward to him telling me how some problems that I have highlighted will be tackled.

11.17 am

The Parliamentary Under-Secretary of State for the Home Department (Paul Goggins): I congratulate the hon. Member for Romsey (Sandra Gidley) on raising this difficult issue. I am pleased that she has brought it to the attention of the House. I am also grateful for the contribution made to the debate by my hon. Friend the Member for Islington, North (Jeremy Corbyn). I warmly acknowledge that both he and the hon. Lady have a long-standing interest in this and related issues. As the hon. Lady made clear in her opening remarks, the debate is also timely. The inquest on Sarah Campbell is taking place, and that draws our attention to this important issue.

As the Under-Secretary with responsibility for correctional services and reducing re-offending, I have many issues to consider, but none is more important than this one. The need to reduce the number of prisoners—and perhaps women prisoners in particular—who seek to take their own lives is of the highest priority.

The hon. Member for Romsey asked why we use the term "self-inflicted deaths" rather than suicide. Suicide implies intent, and we cannot always be certain that someone intended to take their own life. That is why we use the more inclusive term "self-inflicted deaths". It is not an act of political correctness, but an attempt to define the issue accurately.

Tragically, last year there were 95 apparently self-inflicted deaths in our prisons, 13 of which were those of women prisoners. The figures were broadly the same as the previous year, when there were 94 deaths overall, 14 of which were those of women. As in the previous five years, in 2004 the rate at which women in prison took their own lives exceeded the rate at which men did so. That runs counter to the trend in society as a whole, where women are less likely to take their own lives than men. Clearly, there are some unique factors at work in this situation that predispose women in prison to be more likely to self-harm and to take their own lives. We need therefore to appreciate the differences between male and female prisoners.

The hon. Lady gave the House some figures that demonstrate the vulnerability of women prisoners. It is interesting to contrast some of those figures with the figures for men. For example, we know that there is a close association between sexual abuse and self-harm by women prisoners. We have conducted interviews with prisoners who have self-harmed that show that 41 per cent. had experienced sexual abuse, compared with 18 per cent. of men. Some 44 per cent. of women on remand have attempted suicide in their lives, which compares with 27 per cent. of men on remand. About two thirds of the women who arrive in custody require clinical detoxification, as compared with just less than half of men. Those differences demonstrate the increased vulnerability of many of the women in our prisons.

All those factors have been identified as significantly increasing an individual's risk of suicide. Also, as mothers tend to be the primary carers of their children, concerns about child care arrangements, the fear of losing contact with children, the inability to plan for children as they grow up and the sheer pain of separation all add to the stress and distress that many women in prison experience.

We cannot underestimate the unique pressures that are involved in the day-to-day care and management of such a vulnerable female prison population. I am delighted that my hon. Friend the Member for Islington, North paid tribute to the staff at Holloway prison and, indeed, staff at all of our prisons, who deal with such vulnerable people day in, day out.

Jeremy Corbyn: Has the Minister visited Holloway prison recently? If he has not, would he be prepared to go and examine the custody records, the inappropriate sentencing policies, which are not the fault of the prisons—they are the victims—and the caring approach taken by the staff, who are desperate to improve the situation of the prisoners? Will he see whether there are lessons that can be applied more widely? After all, 10 per cent. of all women prisoners are in Holloway prison and, as the hon. Member for Romsey rightly said, they are often isolated, and receive few visits and little support from outside.

Paul Goggins: I visited Holloway prison some time ago, but if there is an opportunity to do so again in the near future, I will seize it. Perhaps my hon. Friend would like to join me on that visit. We can learn many lessons from Holloway, not least about how the first night of a prisoner's stay is dealt with in such a sensitive and supportive way. We have carried those lessons across to other prisons, which is one way in which Holloway has helped to inform practice.

We are talking about the contribution that staff make. I am sure that it would interest hon. Members to know that 127 resuscitations were carried out on women prisoners in 2003 and that a further 51 were carried out in the first nine months of 2004. We are talking about people being brought back from the point of death by highly dedicated staff, to whom I pay tribute.

The hon. Member for Romsey and my hon. Friend the Member for Islington, North both raised the important issue of sentencing. Over the past 10 years, the female prison population trebled. However, I am pleased to say that the female prison population today is 4,134, which is 173 fewer than on the same day last year and more than 500 fewer than the record level reached in May last year.

I hope that my hon. Friend is encouraged by the fact that sentencers are getting the clear message that short-term prison sentences for less serious, non-dangerous offenders are an ineffective way of dealing with offenders and that robust community sentences are a much more constructive alternative for women prisoners, as they are for male prisoners. Offenders are provided with the opportunity to address the causes of their offending behaviour and at the same time put something back into the community where they committed those offences. For such offenders, that is a much more constructive approach.

[Paul Goggins]

In the longer term, I hope that the women's offending reduction programme, which I launched in March last year, will help to rebalance the system and bring a sustained reduction in the women's prison population, ensuring that custody is reserved for the most serious and dangerous offenders. To achieve that, our priority will be to improve community-based services and interventions, so that they are more appropriate and accessible for women offenders. We also need to ensure that women who are sent to prison are kept safe from harm. The Prison Service is developing a suicide prevention and self-harm management strategy for women prisoners. The strategy recognises that, given the vulnerabilities and needs of women in prison, there are some areas of suicide prevention that require a gender-specific approach. The strategy does not aim at providing favoured treatment for women prisoners, but it acknowledges that treating men and women prisoners as though they are the same would not represent the best care.

The strategy is building on interventions that are already improving the care offered to women in prison. It might be helpful if I give one or two examples. Holloway and Bullwood Hall offer crisis counselling for women who self-harm. East Sutton Park has what is called a vision team, led and run by the prisoners. They help to deal with issues such as housing, employment and family matters. The first night in custody project at Holloway, which I mentioned earlier, focuses on the needs of women at the extremely vulnerable stage of initial entry to prison.

Several women's prisons, including New Hall and Morton Hall, have introduced the insiders scheme. Insiders are peer supporters selected and trained by officers to welcome new prisoners into reception, to check whether they have any immediate concerns and to share basic information with them as newly arrived prisoners. In addition, women's prisons run Samaritan-supported listeners schemes to support the more vulnerable prisoners. Holloway also runs a domestic violence programme based on cognitive behaviour therapy, which provides participants with information on how to get help and advice.

Those examples show the excellent work being done in women's prisons. However, beyond that there are high-level strategies that are having a positive impact on the care offered to women in prison. They include a strategic plan for detoxification and maintenance programmes throughout the prison estate to ensure that there is continuity of treatment between prisons and, indeed, after release—the hon. Member for Romsey emphasised the importance of that—and that women can develop ways of coping with their drug problems without feeling the need to self-harm. The hon. Lady suggested that there was difficulty in getting information about the number of detoxification programmes that are running. There should not be any difficulty, and I shall write to her with the information.

The Department of Health is providing an extra £1 million to recruit additional psychiatric nurses to add to the mental health support provided in prisons. We are developing a training pack for all staff working with women in custody to help them to understand the factors underlying self-harm and offer them practical ways of helping women in custody to cope with stressful situations.

The hon. Lady asked whether we had considered the system operating in the Netherlands, under which women are allowed to go home prior to a period of imprisonment. We have not considered that in any detail, but we have introduced a new sentence of intermittent custody, which is, I think, particularly helpful for women prisoners who have child care responsibilities. They spend part of the week in prison and part of the week at home. We have run it for almost a year and it is proving very successful. Families are helped to stay together, which includes the possibility of staying in work, but people face the appropriate punishment if they have committed a crime serious enough to warrant imprisonment.

The hon. Lady mentioned the escort arrangements for women prisoners. New contracts have been operating since last summer. Some of those arrangements are not working as well as they should be. That matter is a high priority both for the chief executive of the National Offender Management Service and for me. We shall expect improvements and I shall write to the hon. Lady in due course to report on them.

We are learning lessons all the time. The F2052SH form that the hon. Lady referred to is being superseded by a new system, which will, I think, engage prisoners and the staff around them more in their care. I assure her and my hon. Friend the Member for Islington, North—and the whole House—that we are determined to make progress on the issue, and that I shall continue to give it the highest priority.

11.30 am

Sitting suspended until Two o'clock.

Neighbourhood Policing

2 pm

Mr. Graham Allen (Nottingham, North) (Lab): I am delighted to have secured this Adjournment debate on neighbourhood policing. It is all the more welcome for being a surprise. I found out about it on Monday; I do not know whether the surprise was quite so welcome to the busy Minister, but I am delighted to see her.

I am pleased, too, to be accompanied today by my hon. Friend the Member for Gedling (Vernon Coaker), who has been an inspiration to colleagues in the Nottingham area by his persistent and relentless pursuit of more effective policing in his constituency and in Nottinghamshire. He has been a model in that regard, and although he is not in a position to comment today because of his duties as a Whip, I know that I would not have been as interested as I am in the issue had it not been for his assiduous work over the years.

The debate about reactive policing and pre-emptive policing has gone on for decades, and, as with all such debates, the views are often artificially polarised. The real truth, which most police officers and members of the public accept and understand, is that those two styles of policing are complementary; we cannot have one without the other. Nothing that I say by way of welcome to the Government's drive to improve neighbourhood policing, and the positive response being developed by Nottinghamshire police, should be taken as undermining the need for responsive policing and reactive policing. They are two sides of the same coin and I think that we are now finding a more appropriate balance between them.

In Nottinghamshire, the chief constable is developing a county-wide neighbourhood policing strategy with energy and intelligence, and that is reflected in the city division, of which my constituency is a part. Neighbourhood policing in my constituency needs 70,000 pairs of eyes and ears—those of my constituents, who would thus support the uniformed branches of the police rather than hiving off responsibility to them.

In the city of Nottingham, neighbourhood policy and neighbourhood policing are being developed by the police and the city council in collaboration. Genuine collaboration is the only way that what is happening can be made to work. If the effort is only police led, the full potential benefits will not be realised. The city council, as my hon. Friend the Minister will know from her visits, brings excellent experience of community involvement, through the 100-day clean-up, the blitz on graffiti and the "Respect for Nottingham" campaign.

I see neighbourhood policing as having five key components: beat officers, police community support officers, neighbourhood wardens, the community and multi-agency working. All five elements are either relatively new or are finding a refreshed role within neighbourhood policing. Teething troubles are to be expected, but there is no question but that what is happening is a real breakthrough and a new development that is settling down well. If we continue to drive it with effective management and public and Government commitment, it will make an ever more important contribution to improving law and order and public reassurance.

The first of the five elements that I identified is the beat officer. The central pillar around which neighbourhood policing must be based is the individual police constable who is responsible for a geographical area. That is the system now in place in my constituency, and I thank the chief constable, Steve Green, and the divisional commander, Chief Superintendent Les Kominiak, who, incidentally, may be retiring in the near future. I and my colleagues in the Nottingham area want to express our grateful thanks to that dedicated and determined officer, who did remarkable things in the city division in his relatively brief tenure there. Both those officers deserve commendation for their renewed commitment to the beat officer system.

I carry in my diary at all times a list of the 22 beat officers who are responsible for 22 specific areas in my constituency. That precise accountability gives ownership to the individual officer, and that provides a focal point for all other neighbourhood policing elements. Crucial to making that work is achieving the greatest stability among our beat officers. The chief police officer in my constituency, Superintendent Helen Jebb, is acutely aware of the need for as much stability as possible. I am very pleased that the police authority has approved the proposal for special payments for beat officers who stay in post for one year, followed by additional increments if they stay in post for two years, and further increments if they stay in post for a third year. I hope that the Minister will confirm later or in writing whether the Home Office has been able to approve that innovative and helpful use of the special priority payments. Regardless of the debate about whether increments are divisive, if beat officers are prepared to make a long-term commitment to a community, they must be the first in the line to receive such increments while they still exist.

I will go even further and ask the Minister whether she will re-examine the system that I saw in operation in Holland on a recent police parliamentary scheme visit. The beat officer signs a contract with the community to stay in post for five years. Perhaps the special priority payments should include an agreed minimum tenure. At the very least, each beat manager in the United Kingdom should have an engagement plan to suit their local circumstances, as is being pioneered in my constituency by Chief Inspector Simon Nickless.

The city of Nottingham divisional commander, Les Kominiak, pioneered the concept of the beat officer having a publicly known mobile telephone number. At the time, I thought that that would be counter-productive, because all sorts of phone calls would be made, but I am very happy to eat my words publicly, as the public's ability to leave messages has been not only good public relations, helping visibility and contact, but highly effective in delivering useful intelligence to the police. We are talking about not a return to Dixon of Dock Green, but the most effective hard policing to reduce the criminal elements in our society. This is not soft in any sense of the word; it is the most effective deployment of resources.

Another matter that needs to be examined nationally as well as locally is the disincentive of the shift pattern for officers who are retained on the beat. The generous six days on, four days off shift pattern for response officers must be reviewed, not only to make response officers more effective and easier to contact and to put

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them back under the control of local police station inspectors, but to ensure that they are retained on their patches.

The Government and the constabulary should be proposing effective personnel policies to insist that the norm will be that beat officers who leave have a proper handover period with their successors. Massive local knowledge is often lost by poor or non-existent succession policies. The beat officer must become as much of a fixture in a local community as the GP, head teacher or councillor. Consistency and stability will then have a massive consequential impact on neighbourhood police in the broadest sense.

Another area that needs a little more attention is police communication with the public. I know from my contact with constituents that not everyone has the name and mobile phone number of their local beat officer. If we provided them repeatedly through the local press, a regular newsletter or an annual "entitlement to know" enclosed with the council tax bill, people would be able not only to contact their beat officer, but to be put in touch with the whole range of neighbourhood policing and criminal justice system services.

Special constables also play an important role. Our local recruitment drive to increase numbers in the special constabulary is an attempt to encapsulate the essence of community engagement. Volunteers from our local communities are supporting their police service enthusiastically and productively, and perhaps the Minister can tell me whether there is or could be a modest payment for the hours that they put in.

The second important component of neighbourhood policing is the recent development of police community support officers. Although it is early days, it is not too wild a prediction to say that PCSOs—again, I pay tribute to the efforts of my hon. Friend the Member for Gedling, who was at the forefront of campaigning for Ministers to introduce them—will be seen in a year or two as a permanent fixture in our communities, and we will be unable to imagine ever having done without them. They are one of the Government's brightest initiatives, and Ministers are to be congratulated on the vision and commitment that they have shown in putting PCSOs in place.

People like to see high-visibility public figures wearing yellow jackets. They do not necessarily know the distinction between PCSOs and the police, but we need not be ashamed of that. The more bad guys who see a uniformed presence of whatever description on the street, the happier my constituents and I will be. Indeed, in an interesting bit of joined-up thinking, there is an agreement between the divisional commander and the city council for council staff in the Nottingham city centre to wear high-profile yellow jackets. In my constituency alone there are four PCSOs at the Broxtowe station, six at the Oxclose Lane station and four on the mobile taskforce.

As regards PCSOs, I would like the Minister to continue to think about two issues. First, there is the continuing debate about what PCSOs' powers should be. I commend the gentle evolution of the PCSO in Nottinghamshire, which seems a sensible way forward. The more sensitive we can be with PCSOs, the more likely it is that they will fit well into local circumstances, which are obviously different in different places.

In Nottingham, PCSOs can do everything from policing dispersal notices to tackle antisocial behaviour and providing professional witness evidence, which is crucial in breaking the anti-witness culture that drug gangs in my constituency have developed, to using powers of arrest for half an hour until a police officer arrives to provide assistance and issuing fixed-penalty notices. The Minister must bear it in mind that we need to retain local flexibility so that we can determine what powers are appropriate and where they are deployed. That may mean fewer powers in certain circumstances and more in others.

Secondly, the greatest threat to the continuing development of PCSOs is that they might be seen as a substitute for, rather than additional to, the local beat officer. That could be the case especially if there were a squeeze on public expenditure—if the day ever dawned when another political party got into power and mismanaged the economy. If the issue is not handled sensibly, local policy could, by default, drift to PCSOs only. We would then be only one step away from response policing being run by a national police force and neighbourhood policing being run by the local authority.

There is much to commend that approach, and perhaps it should be piloted in the city of Nottingham. However, if that is the way we want to go, it should be done only as a matter of deliberate policy, not by default. I am therefore reassured by a recent letter that I received from the Minister, saying that PCSOs are additional to, not a substitute for, beat officers. However, as circumstances and perhaps even Ministers change—unless the present Minister becomes Home Secretary—we need continuity to ensure that that idea is retained, whatever the economic and political circumstances surrounding PCSOs.

The third element of neighbourhood policing is the welcome development allowing local authorities—in my case, the city of Nottingham—to employ uniformed neighbourhood wardens. So much of the low-level crime that angers and frustrates our local communities melds imperceptibly into antisocial values evident at street level, which neighbourhood wardens can combat. Having been out on patrol with neighbourhood wardens in my constituency, I know that their ability to take action across a wide range of council and community issues helps underpin the work of the other uniformed branches. They can issue on-the-spot fines for littering and intervene on issues ranging from designing out rat-runs around local estates to dog mess. Those are all very useful and positive services to which the community responds and feels is beneficial. Tying neighbourhood warden patrols into intelligence-led briefing and deployment ensures that their work is done not in isolation but in areas where communities and the other uniformed branches will benefit most.

The fourth element of neighbourhood policing—and the ultimate measure of success—is the involvement of the public. Involvement will differ between localities. Some may wish to be involved by becoming special constables, others by sitting on their tenants or residents association. In Nottingham, we have broken down the

city into nine area committees, each with its own community safety group. That offers potential for participation, too.

However, I want to focus on what is in my opinion one of the most underused parts of the local scene: the neighbourhood watch. I have never been a great advocate of neighbourhood watch, but I must admit that as every day goes by it becomes more and more important that we make it relevant and renew what it needs to do. I ask the Government, through the Minister, to look again at that and to ensure that neighbourhood watch reaches a new and higher level, giving it the priority and resources that it needs.

I have asked all those who should be involved to set as an ambition the creation of a neighbourhood watch in every part of my constituency. Coverage is currently sparse, and the Government and local institutions must set out a clear strategy to make neighbourhood watch comprehensive. There is too much pass the parcel at the moment in organising neighbourhood watch. A named official must be known to the public and to the Government to make the scheme work in every constituency, town and area in the UK.

Many people in my area fear that their involvement in neighbourhood watch will lead them to be intimidated. To encourage more and more people to get involved, a fresh approach is necessary. Perhaps in the first instance there should be a neighbourhood watch club that people can join without being surfaced locally until a critical mass of a dozen or 15 people in a street can be achieved. Perhaps that could be explored as a different way to move forward on neighbourhood watch.

Although effective neighbourhood policing can do a great deal, I will continue to look across the Government and, indeed, to the Prime Minister to provide the context for the longer-term answers on crime prevention—above all making sure that youngsters grow up as social beings rather than antisocial yobs. Short-term measures to relieve the consequences of antisocial behaviour are essential, but will be little more than policy snacking if we do not address the longer-term issues. I hope that all political parties—they are all represented here today—will put the long-term development of social behaviour at the centre of their manifestos at the coming election and that whoever is elected as the Government will make the matter central to the next four or five years in British politics.

I am thinking particularly of the need for comprehensive parenting skills and of doing for social behaviour what we have done for literacy and numeracy, by putting it at the heart of the national curriculum—not referred to, not as an adjunct to it, but at the centre of the national curriculum. In that way, in areas such as mine we can undercut the attitudes that lead to such massive expense in the long term through involvement with the courts, the police, drug rehabilitation, social work, benefits—the whole panoply that follows if we do not get things right in the first few years of life and education. The new Home Secretary's recent background probably equips him more than most to acknowledge that young people who have a toolkit of social values, self-discipline and respect for others and the emotional intelligence to use them provide the most effective self-policing mechanism: a fully operational conscience.

Neighbourhood policing will be supported by the public when they understand the practical consequences of their criminal justice system. The Government—in this case Ministers in the Department for Constitutional Affairs—must pick up their responsibility in that area by ensuring that the new local criminal justice boards are empowered, resourced and then encouraged to involve systematically every tenants association, every neighbourhood watch and every area committee, so that people gain an understanding of how their criminal justice system relates to them.

The criminal justice system must be—it needs to be—returned to the public and it must stop being the private playground of lawyers and professionals. I hope that the Minister will be able to allude to that and to whether any progress has been made since I raised the matter with the Prime Minister on the Floor of the House before Christmas. If we do not activate the public, we will stand down our largest army in the war on crime. We must involve the public; they must feel that the criminal justice system and neighbourhood policing belong to them.

The last element to which I want to refer is the large number of local bodies and partnerships that have an interest in neighbourhood policing and often operate on a multi-agency basis. There are a number of examples of that. An obvious one, which has been raised many times by my hon. Friend the Member for Nottingham, East (Mr. Heppell), is that of a far tighter partnership between the Crown Prosecution Service, the courts and the police so that we have an agreed strategy when deciding how to tackle antisocial behaviour with an antisocial behaviour order. That would reduce tension and ensure better understanding and communication between agencies. Equally, the embryonic antisocial behaviour teams that are being established in the City of Nottingham have a key role, not least on the former council estates that make up my constituency.

In areas of social housing, the local housing office is key. Repossession is a more potent tool even than ASBOs. The use of local knowledge and the ability to engineer better social behaviour through the lettings policy and police checks cannot be underestimated. I was up in Mansfield on a police parliamentary scheme visit, and saw the imaginative way in which the powers of traffic wardens and of PCSOs are being tied so that they combine their impact. The informal network of activity is equally important. We all remember the days when park keepers and bus drivers were the eyes and ears of a local community. That needs to be deliberately revived. Short-term savings on things such as one-person-operated buses or mobile park caretakers have long-term consequences, and we need to revive and regenerate the impact that people on the ground had in all aspects of public service.

I have just mentioned five or six examples of local bodies, and in such a situation co-ordination is absolutely vital, otherwise gaps appear, duplication occurs, things are left to someone else, or the organisational cultures either clash or sulk depending on the mood of the day. As neighbourhood policing develops, we look to the Government to make it clear and to take great care to ensure proper communication, accountability and responsibility for that co-ordination, which is so important between agencies and with the public.

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In the end, there is no substitute for a named person who is known to the local public and to the Home Office as responsible in such areas. Although the civil service may try to "Yes Minister" us out of it, I hope that the parliamentary constituency could provide the right bite-size area for such an arrangement. That would also give Members of Parliament a role and place on them an expectation to help to deliver on neighbourhood policing. I will leave that one in the air for the Minister. If all that is done effectively, we will be in the business of creating a web, a network, an infrastructure that will relentlessly tackle local crime rather than fobbing it off as somebody else's responsibility. Those are the key elements. Much progress has been made informally. The Government have set out their agenda on neighbourhood policing and lots of people are already pursuing that agenda before it formally comes into effect.

As well as that informal progress, I am delighted to be able to welcome the initiative endorsed only yesterday at the Nottingham crime and disorder reduction partnership. A proposal for two formal pilot schemes on neighbourhood policing in Nottingham was agreed, including one in my constituency, as a prelude to developing a city-wide neighbourhood policing plan. Some 20 PCSOs will be added to the present number of PCSOs and beat managers to form the core of the new teams. A named person will be in charge and the team will link to the antisocial behaviour team and the city council street scene department, with a named contact in each. The teams will be accountable to the area committee's community safety working group, which will be consulted on the task to be undertaken.

My thanks go to the Home Office for its funding of the active communities unit, which has been able to prepare the ground for effective consultation to make the scheme work properly. The pilot in my constituency is expected to be up and running next month and long-term funding will be sought in mid-2005 on the back of an agreed neighbourhood policing plan. The signs are very encouraging, but I hope that in developing the formal structures of neighbourhood policing the Minister will be careful in the following two areas.

First, connecting with the community must not result in the paralysis of over-consultation so that delivery itself is impaired. We can develop a meetings culture with too many open meetings which the same group of people attend. Delivery on the ground will inspire more people to get involved. Secondly, the pilots should be allowed to develop without being bound hand and foot by performance indicators and targets laid down from the centre, which are often insensitive to local needs and circumstances. At the beginning I hope that there will be a real desire for flexibility, so that many different styles and ways forward develop, rather than a wish to intervene too soon to ensure that particular benchmarks, which often are not that relevant to local needs, are met.

There are two minor dangers in what I think is a very welcome development from the Government in this area. The development so far reflects great credit on those who have been involved, but some key decisions are coming up. The central one for the Government is how far we can allow authority for neighbourhood policing to devolve to the localities. It is always difficult promoting a local solution that has to be driven at national level; we all battle with that contradiction in many different ways. If we can make police authorities a little more effective and representative as instruments, that will go a long way to help.

Additionally, while taking second place to no one in my admiration of the former Home Secretary, I hope that the new incumbent will understand that we will make fewer mistakes and get better and more practical outcomes if we involve practitioners and the public at every stage of developing the concept of neighbourhood policing. Whether we call it market testing or reality checking, there is no substitute for picking the brains of those most intimately involved and with the best experience.

In parliamentary terms, I hope that the Home Secretary will begin to make the fullest possible use of both pre and post-legislative scrutiny so that we can explore all the opportunities and use all the experience available to make neighbourhood policing work on the ground. This is something that Parliament, used properly, can help to bring to the party. It is too early to call neighbourhood policing an unqualified success. Equally, we should avoid presenting it, as some have presented identity cards, as a cure-all. None the less, there is no doubt in my mind or, more importantly, in the minds of my constituents, that the signs are very encouraging indeed, whether we consider neighbourhood policing a national initiative or a practical local policy. With due care and attention, neighbourhood policing, linked to the long-term measures on social behaviour that I mentioned earlier, could be the answer to tackling the culture of antisocial behaviour and volume crime that is my constituents' No. 1 priority. I wish the Government well in their efforts.

Several hon. Members *rose*

Mr. Deputy Speaker: Hon. Members wishing to speak may like to bear it in mind that the Front-Bench contributions must begin no later than 3 o'clock.

2.31 pm

Mr. John Horam (Orpington) (Con): I am very glad to have such an unexpectedly early opportunity to speak. I wish that the attendance could have been better, although the number of hon. Members present might have something to do with the fact that the subject was changed late in the day. Perhaps not as many hon. Members as usual knew what was to be debated, which is a great pity. However, I congratulate the hon. Member for Nottingham, North (Mr. Allen) on raising a central issue of our times.

As the hon. Gentleman said, a lot of interesting things are going on in Nottingham that we read about with great interest and approbation, even in London. He paid tribute to the local commander in Nottingham and I want to pay tribute to my local sector chief, Inspector Nick Stratford. The southern sector of Bromley coincides with my constituency. The hon. Gentleman mentioned the bite-sized area of a constituency being a good size for neighbourhood policing. My relationship

with Inspector Stratford is good. I find him responsive, with his feet on the ground, and willing to commit to the idea of neighbourhood policing. I am grateful to him for all that he is doing.

I have no doubt that the more neighbourhood policing we have, the better. It is the right direction for policing to take in the 21st century. However, the one necessary criterion is that we have enough police on the ground—on the beat, visible to people, making themselves known.

I shall give an example of how that does not work in my constituency in current circumstances and how it could work. I went to a public meeting before Christmas that was attended by no fewer than 400 people. The meeting was called by the police, who were there in force. The Minister can imagine the long list of complaints that were aired, as the police explained that they thought they were doing a reasonable job, only to be told, "No you're not, because of X, Y and Z." The meeting went on for a long time and the conclusion was that we needed more police.

When the crunch came, the police had to admit that, in my constituency, quite a large area in Cray Valley—a large ward in a London borough—was being dealt with by just one beat officer. That is not all, however. I subsequently discovered that beat officer guarding the Door at the end of the main Committee Corridor when the Hunting Bill debate was interrupted and having two hours of her time wasted when she could have been down in Cray Valley doing her real job. That is an example of the problem of insufficient police officers and, particularly in London, their being extracted far too often to do pointless things in the centre of the city.

My first task as the Member of Parliament for Orpington in 1992 was to open a new police station in the Cray Valley ward, which then had about 20 officers. When the Labour party came to power, I am sorry to say that the station was closed. To be fair, however, although one beat officer covers one area, four or five cover another part, so there are probably about six or seven officers in all. The area is important, because there is a large Traveller population—the biggest in the country—and there are associated problems, as well as those that are not at all associated. People remember what happened to that police station because it happened only four or five years ago. They remember the number of officers that were there then and know how many are there today.

However, I want to encourage the Minister because I am not entirely condemnatory of there not being enough police. A police station in Biggin Hill, which is rather isolated and separate from the rest of my constituency, was closed under her Government. People were very upset about that and I held large meetings two years ago in Biggin Hill about antisocial behaviour at which all the usual complaints were raised. However, action was taken in partnership between Bromley council and the Metropolitan Police Authority, and there are now two regular beat officers and four PCSOs.

So, six people look after the ward of Biggin Hill. I am glad to say, and the Minister will be pleased to hear, that over the past 18 months there has been a total change in the atmosphere because there are now six instead of one. Even though we still do not have a police station, the local authority is talking about opening a shop with multi-service provisions, which is definitely a step forward. I assure the Minister that although there are glaring examples of neighbourhood policing not working because there are not enough police, such as in Cray Valley, it clearly does work when there are enough policemen on the beat, as in Biggin Hill.

I agree with the hon. Member for Nottingham, North that it is important that policemen become as familiar to local people as the local GPs and teachers. It may be that instead of there being one person, there are half a dozen people whom it is necessary to name in any particular ward. My constituency is a bite-size area for this concept. There are eight wards. Six or seven policemen in each ward, which is the ultimate intention, would make a huge difference. That is the case in only one ward. The others have to make do with one policeman, which is simply not enough. Local police officers can direct resources to an area, but other areas will remain uncovered and problems emerge: so they are fighting a losing battle.

The sine qua non of neighbourhood policing is that there are enough police officers on the ground to enforce it properly. I understand that the provision of the number of police in a London borough such as Bromley is the responsibility of the Metropolitan Police Authority rather than the Minister. One reason I am here today is that decisions will be announced at the end of this month about the new resource allocation formula for the whole of London. Antisocial behaviour, and everything associated with it, is as evident a problem in the leafy suburbs, such as Bromley, as it is in inner London and other inner-city areas. It is just as big an aggravation and as many people's lives can be made miserable by such everyday occurrences as in inner-city areas. Attention must be paid to the problem.

Bromley, which is the largest borough of London in population and size—my constituency is the biggest in London—has 150 fewer policemen than Lewisham and Croydon. Ironically, a constituent in Biggin Hill stood up at one of the meetings to which I referred and said that he felt safer in Lewisham than in Bromley, because in Catford, where he lived previously, he could see policemen on the beat, whereas he never saw them in Bromley until the recent change. I draw to the Minister's attention, and through her to the attention of the Metropolitan Police Authority, the fact that the leafy suburbs, particular Bromley, are not getting a fair deal under the current allocation.

People are much helped if they have the mobile phone number of their local beat officer. Beat officers who give them out are very popular. They may be in demand and inconvenienced by their mobile phone ringing, but in the case of a local hot spot it can be extremely helpful for people to have someone that they can get hold of immediately.

Another problem in the borough of Bromley, as I am sure the Minister is aware, is that the police force has the worst response rate in London. That is partly due to the size of the borough, and the few police cannot respond in time, but there is also a big communication problem in London. Changes are being made to how responses are handled, but it is so far leading to a deterioration of the situation. There are great concerns, not only about

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the number of police visible on the beat, but about the response times to people making emergency 999 calls. They are real problems in London, although I know that the Minister is not responding to London issues directly.

Finally, I want to mention two rather more futuristic points. First, I have concentrated on the need for more visible police on the streets, because that is fundamental. However, there also needs to be a change in the culture of the police force. In recent years, there has been an emphasis on promotion in the police force based on specialisation. Everyone wants to get off the beat and into a specialised remit, believing that that is the way to promotion within the force. On the contrary, I think that we need to go back to a generalist police force with people who are multi-tasked, and who can understand and respond to lots of different situations. In New York, for example, that was done by making the detectives responsible to the precinct captains. That was a huge demotion for the detectives and they hated it, but it meant, all of a sudden, that everybody wanted to be the person who was top dog—the precinct captain—and for their area to be the best policed neighbourhood in New York. That directed the competition in the right way and we know what results were achieved there. The Minister ought to pay some attention to that issue. It is a long-running one, which cannot be solved overnight, so perhaps it is not for her but for a future Minister. None the less, it needs attention.

Secondly, I strongly agree with the hon. Member for Nottingham, North about devolving responsibility. How far can we take localisation? The fact is that the police will pay more attention to local needs if they have to be responsive to local people. In my case, Bromley police are responsible to the Metropolitan Police Commissioner, who is in turn responsible to the Minister. They are therefore looking upwards all the time instead of downwards to the needs of their local areas. At the moment, there are too many central initiatives—they are undoubtedly relevant to some areas, but clearly not to every area—with targeted funding, which cannot be touched, and which therefore means little in terms of the money that is available to a local commander to deal with his general range of problems.

The balance between centralisation and localisation needs shifting sensitively and sensibly towards more localisation. I fully accept that that cannot be done overnight, and consequences would flow from it, such as in local authority funding. At present, roughly 75 per cent. of police funds come from central Government and 25 per cent. from local authorities. Clearly, while that is so, central Government will want a big say in how police forces use the money that they provide, so perhaps there will have to be some consequential long-term change in the funding. I accept that that is a long-term problem, but until we grasp it, we will not get the localised emphasis that is more relevant in this century.

I welcome the Minister to her job, but we need far more resources and a long-term view of the nature of policing.

2.43 pm

Mr. Andrew Dismore (Hendon) (Lab): I congratulate my hon. Friend the Member for Nottingham, North (Mr. Allen) on securing the debate, and I regret that the Opposition Front-Bench team was not represented for practically the whole of his speech, because he made some important points.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): I apologise to you, Mr. Deputy Speaker, for not being present throughout the whole of the speech of the hon. Member for Nottingham, North (Mr. Allen). However, he was kind enough to let me have a copy of his speech, so although I was not here, I am aware of what he had prepared to say.

Mr. Dismore: I hear what the hon. Gentleman says, although that is not the same as hearing it live.

The starting point to any debate on policing in London is the great success that the London Mayor has had in increasing police numbers to record levels. We now have 30,000 police in London, and the training school, which is in my constituency at Hendon, is bursting at the seams and cannot take any more. As the numbers go up, a tension is created between the number of police devoted to the safer neighbourhoods programme and the number allocated to core policing, an issue to which I shall return.

The most common concerns identified by the public are what, euphemistically and wrongly, used to be called low-level crime. In fact, they are high-profile crimes that impact on all our communities at all levels. The public are right when they complain about youth crime, antisocial behaviour, irresponsible drivers, graffiti, drug use and drug dealing and so on. The safer neighbourhoods programme in London is making a major contribution to tackling them. It is important to realise that the teams are ring-fenced, so they are not affected by aid extraction. That is a particular problem in London, because people are sent to central London to police demonstrations or to deal with terrorism.

There is no doubt that the programme has significantly reduced crime and the fear of crime. In London, the safer neighbourhoods teams have encouraged increased confidence in policing. In the first quarter during which we had them, there were 25 per cent. more calls to police in safer neighbourhoods areas. They are also having a positive impact on community cohesion. Since roll-out began, the teams have hosted more than 232 public meetings with nearly 6,000 attendants, of whom 20 per cent. were from minority communities. In safer neighbourhoods areas, robbery was reduced by 40 per cent. and criminal damage by 4 per cent. between 2003 and 2004—greater reductions than occurred in areas that did not have such teams.

Compared with the police service as a whole in London, safer neighbourhoods teams better reflect the communities that they serve. Women make up 23 per cent. of their members and people from minority backgrounds comprise 21 per cent. A work force who reflect the diversity of London inspire more confidence and trust in the police.

I have two safer neighbourhoods teams in my constituency, and I pay tribute to my borough commander, Chief Superintendent Ricketts, and his

officers and staff, who have had great success. My hon. Friend the Member for Nottingham, North, spoke about the importance of stability at police constable level. I want to bring to colleagues' attention the need for stability at leadership level. Superintendent Ricketts is the fourth commander in my borough in the almost eight years that I have been a Member of Parliament. If local policing is to develop properly, we have to have the stability that has so far been lacking. It might be that two of the superintendent's predecessors were on the rapid promotion track, but I am pleased that Mr. Ricketts sees this as his last posting, of which he wants to make a real success, and that he is not keen for promotion. I hope that the Met will leave him be and let him get on with the job, and that the same will apply to the rest of his staff.

Where we have teams in Barnet, crime has reduced by 17 per cent. There has been joint working with the community in cleaning up graffiti and maintaining the clean-up. One tagger did return, but he was identified and arrested, and there have been few incidents since. There has been greater focus on local intelligence and local criminals, leading to effective enforcement against low-level crime, which affects quality of life. There has been a 45 per cent. reduction in the number of abandoned vehicles, and we have enhanced community cohesion. The officers are familiar and available, with the dedicated mobile telephone number of which we heard earlier. Direct working protocols exist between the police and the local authority on graffiti, abandoned vehicles and antisocial behaviour. Community advisory panels are focusing police activity and providing meaningful local oversight and feedback. Officers are tackling the issues that concern the local population.

There has been a 30 per cent. reduction in antisocial behaviour calls where there are safer neighbourhoods teams, and we have used PCSOs by focusing on their strengths. Intelligence has led to the arrest of local drug dealers on Grahame Park estate in Colindale—that information would not have been given had the individuals not had confidence in their teams, and the arrests would not have been made. Paradoxically, there has also been an increase in allegations of harassment and minor assault. Perhaps that, too, shows an increased confidence in the police.

There are problems with the teams; it is not all good news. One of my main complaints concerns how Conservative-controlled Barnet council has significantly downgraded its neighbourhood warden service. That has reduced some of the impact of the teams. Ward boundaries are too clumsy a model, and I shall return to that. Giving Hendon the same resources as inner-London boroughs is illogical and the roll-out has led to displacement issues, raising questions about core policing.

Let me deal with ward boundaries. The problem can be illustrated by the proposal for a team to come to West Hendon in my constituency. West Hendon includes Brent Cross, which distorts the crime figures, but immediately next to West Hendon is Hendon Central, and near the tube station and the shopping area is a major crime hot-spot. We had to get special consent, by my raising the matter with Mr. Livingstone, who agreed to use the Brent Cross police team as part of the safer neighbourhoods area team and to expand over the frontier to include Hendon Central. That was an imaginative way to break through the ring-fenced boundary, which had the potential to cause obstruction in the setting up of teams.

It is not fair that we should have a "one size fits all" system, with one team per ward irrespective of the size of the ward. We also suffer a degree of discrimination in connection with the cost of policing in London—a matter that I pursued with my hon. Friend the Minister in a recent parliamentary question. The cost of PCSOs in London does not reflect the fact that it is rather more expensive to employ them in London than in the rest of the country. That discriminates against us.

The biggest unfairness, however, is seen when one considers the size of wards in inner London compared with those in outer London. For example, the average population of the wards in Barnet is 50 per cent. higher than the average for Kensington and Chelsea. The largest is twice the size, and the smallest is twice the size, but they have the same size of team. The figures for average square mileage are even worse; the wards in Barnet are seven times larger than those in Kensington and Chelsea. The smallest ward in Barnet, Burnt Oak, is double the size of the largest in Kensington and Chelsea, and the largest ward in my constituency, Mill Hill, is more than nine times that of the largest in Kensington and Chelsea.

It is not practical for the same number of officers to police a much larger population and a much larger area. We have to find a way of gearing the size of team to reflect demand. It is all very well to say that we want visible policing, but that number of police vanish in such large wards, whereas Kensington and Chelsea seems to have a copper on virtually every street corner. Such a distribution is not fair or equitable. That is not only a matter for my hon. Friend the Minister, of course; it involves how the Metropolitan police distributes its resources.

We also need to consider the impact of the new teams on core policing. The safer neighbourhoods teams draw on the new officers, but that has effectively resulted in far fewer of them being allocated to core policing. That happens irrespective of the capital city function, which is a bone of contention between the Met and the Government, as 10 per cent. of our officers—as many as 3,000 at a time—are being diverted to anti-terrorism duties. That is a major drain on the Met, but we are not properly reimbursed, either as London taxpayers or as a London police service, for the extra work, which is not properly recognised.

If one looks at the geographical policing areas, one sees that Barnet is the fourth largest in area and the second largest in population. Again, the problem is well illustrated by comparing Barnet with Kensington and Chelsea. Barnet has nearly 19,000 reported crimes compared with just over 14,000 in Kensington and Chelsea. However, we have only 544 officers compared with 553, and we have 37 PCSOs compared with 55. Barnet is 34.5 square miles compared with just over 6 square miles in K and C, and our population of 320,000 is virtually double that in Kensington and Chelsea of 173,000, yet we have far fewer resources to tackle the job.

Those differences are reflected in some crime figures. Our crime figures in Barnet are mixed. Yes, there are some good signs, but some figures show that we are not

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doing as well as we could. That comes down to insufficient officers. Barnet is grouped by the Home Office as part of the 3B family group, but the amount of crime is double that. For example, we have almost twice the crime of our sister boroughs of Richmond, Kingston, Merton and Harrow, which are in the same group.

Looking at the volume of crime, it can be seen that Barnet is one of the highest contributors, with crime levels that match those of Newham, Haringey, Brent, Islington and Hackney. We have significant crime levels. As for the number of crimes committed per police officer—I do not mean that the police have committed the crimes—we have the worst ratio in London. I raised that matter with my hon. Friend the Minister in a parliamentary question, and she will probably recognise the answer. Barnet has 27.6 crimes per police officer; the average for outer London is 21, and only 17.5 for England and Wales. That major problem is caused by a lack of recognition of the impact of such demand on core policing.

It is important that the resource allocation formula should reflect some demands of outer London. We feel neglected due to how the formula was gerrymandered by the commissioner's discretion the last time around. I argued about that at great length with senior officers of the Met. We have significant problems. In Barnet and other outer-London boroughs, we now have many inner-London problems in our town centres. Those are not reflected in the unfair way that the commissioner and the Met have allocated resources to us.

I congratulate my hon. Friend the Minister on her drive and enthusiasm for the new policy, but ask that we try to tackle some of its by-products for core policing.

2.55 pm

Mr. Mark Todd (South Derbyshire) (Lab): In the little time remaining I shall quickly cover a small number of points. I greatly value the opportunity that my hon. Friend the Member for Nottingham, North (Mr. Allen) has given us to debate this subject—it was a complete surprise to me, and a very pleasant one.

I want first to mention the work of South Derbyshire's crime and disorder reduction partnership, because I admire the quality of its work, but I am also slightly concerned about the approach that is being taken towards supporting partnerships. The work of the partnership in South Derbyshire has produced a range of highly effective innovations, which have helped to reduce crime and the fear of crime substantially—in particular the initiative on securing homes where there have been burglaries. Funds have been provided. I think that we all know that a place that has been burgled before is the No. 1 target for another burglary in due course. The work was so successful in the pilot period that in every case there was no repeat burglary. That is a tremendous success for the scheme; the people concerned are often elderly and it gave them great reassurance.

Building on that work, the partnership has funded a joiner and a van. The joiner tells me that the job is the best one that he has ever had—driving round to do the necessary work in a designated and clearly identified vehicle, uniformed, and giving all the reassurance of a proper quality service. Support has also been given to developing skateboard parks in the area, to provide useful and fun diversions for younger people. That has been greatly appreciated. Obviously, the partnership is not the only funder of the projects, but, nevertheless it is a significant contributor in ideas and money.

The partnership's work on tackling drugs is a highly successful initiative, which has pulled in a number of repeat offenders in parts of my constituency—particularly Newhall. That has dramatically reduced crime in that part of South Derbyshire. An officer is now dedicated to pursuing ASBOs. We are not as quick on the draw as some areas, and I welcome that. I prefer ASBOs to be a later resort rather than the first action that one would take to deal with someone who is not conforming in the neighbourhood.

The local force has recently been given funding for community support officers. South Derbyshire will get five. Derbyshire has not been the first to bid for those. The emphasis in Derbyshire has been on building the uniformed force and particularly on strengthening the role of specials. However, those CSOs will be extremely valuable in South Derbyshire and I look forward to their arrival.

We have a rural policing unit because of the rural nature of the area. The difficulties of targeted funding have been mentioned, but it is critical that targeted funding is retained to support a unit of that kind. It is extremely helpful, particularly in dealing with farm-based crime.

I congratulate Tony Hurrell, who is the commander for the division covering my constituency and a constituent of mine. It is a reflection of his commitment to the area that he is also the leader of the local strategic partnership. He sets a high example of commitment to his community and the constituency. The officers whom he appoints to serve the various South Derbyshire sections also reflect similar qualities.

I have three brief action points to outline, the first of which repeats the point made by my hon. Friend the Member for Nottingham, North about parenting. In a meeting that I held on the Goseley estate in Hartshorne, residents surprisingly placed greater emphasis on the need to strengthen parenting and to get across the message of raising parenting standards than on visible policing and several other initiatives that one might have thought would be first in their minds, so that is a key area.

Secondly, it should be possible to give some financial rewards to specials. I have suggested in correspondence with the Home Office the possibility of parish councils in my area providing an additional bounty to recruit specials in their parish to provide that uniformed presence. I would like a more permissive approach to that. I also emphasise the importance of quality local partnerships. I have one, and I recognise that I am lucky. Other people have told me that their partnerships do not work very effectively. Mine does, and I want to ensure that it retains the commitment, support and funding that it has enjoyed until now.

I thank hon. Members for the opportunity to contribute briefly to this debate.

3.1 pm

Mr. Mark Oaten (Winchester) (LD): I am glad that I could not receive the fax of the speech given by the hon. Member for Nottingham, North (Mr. Allen) but I was in the Chamber to hear it—the reverse experience of the Conservative spokesman, the hon. Member for Sutton Coldfield (Mr. Mitchell). It was an excellent speech and I did not disagree with a single word.

Quite a lot of cross-party consensus is emerging on many policing issues, and the hon. Member for Nottingham, North gave an extremely good and informed analysis of an ideal model of neighbourhood policing. The way in which he went through the various components was helpful. I shall refer to some of those issues and discuss some of the ways in which his ideas could be developed.

The hon. Gentleman's first point is essential. It is key that the beat officer must have a clear geographical area to cover. The situation that he described in Nottingham, where he can flick to the back of his diary and see the mobile phone numbers for 22 different officers, is probably the ideal. In my experience, however, it is not always easy to do that. It can be difficult to have that cover in all geographical areas.

The hon. Member for Orpington (Mr. Horam) made the point that cover is very patchy. In some areas there is cover, in others there is a difficulty with cover. I take his point about officers who would usually take part in that work being drawn into other activities, and we must watch out for that, although I disagree that their defending us in this place is pointless. But there is a problem, particularly in London, with police officers continually being drawn into big high-profile events and coming under other pressures.

As has been said, continuity is essential. Again, my experience is that just when one gets someone who understands the area and gets to know the head teachers and community leaders, they leave, and all that good work is undermined. Certainly in the seven or eight years in which I have been a Member of Parliament, I have forgotten the names of individuals because they move so fast. I was therefore very interested in the example of the contracts in Holland and the ways in which the Government can bind in those individuals.

Another point made by the hon. Member for Orpington is that the police should regard this as an important career move and not as a stepping stone to a greater role and a better job. That would help to achieve continuity. I was very taken with the idea of including with council tax bills information about how to contact individual police officers. That is a very good idea, and what better way of allowing people who get fed up with having to pay their council tax bills at least to see a benefit in return for the money for which they are being asked?

There is also consensus on the use of community support officers. I have had my concerns about CSOs, but I recognise that they have an important role to play. I was encouraged to hear the hon. Member for Nottingham, North sharing my concern about the cautious approach that we take to tagging on powers for CSOs. I could not agree more that CSOs are additional to, and not a replacement for, fully trained police officers. We must be cautious and careful as we tag on more powers to CSOs. We must ensure that they are properly trained to understand how to use those powers and that they fall into line with the various Police and Criminal Evidence Act 1984 guidelines. They are being asked to do things that have enormous consequences, and ensuring that they have the necessary training is critical, but they do increase visibility—the jacket argument. Another way of considering the jacket argument and visibility is by asking some of our more senior police officers, even those involved in CID and undercover work, to be jacketed up if possible when they are not doing sensitive work. That would increase visibility at higher levels of the police. Often, there are many more police officers around in the streets than people think. Why are we not making them more visible when they are not doing sensitive work?

The hon. Member for Nottingham, North raised the importance of a partnership and of the local authority being involved at the same point. That was picked up on by the hon. Member for Hendon (Mr. Dismore), who talked about the great successes that have been achieved by partnership in his area, such as with the safer neighbourhood teams. He gave a long list of successes, including on graffiti, that have resulted from that project, and it seems that good work is being done, but he also gave a long list of some financial constraints that apply. People are obviously doing a good job, given those constraints.

We must think much more creatively about engaging the public, because they are part of the list of those involved in the partnership. My party has suggested the concept of community justice panels, which I think, in a strange sort of way, the Government are now pushing forward. The panels involve letting the community have a greater say in what the punishment should be in non-serious cases in which a crime has been committed against the community. The panels sit down and discuss with the offender what they will do to put things right in the community. At its rawest, that is engaging the public and bringing them into the process.

At a different level, building up the role of neighbourhood watch and perhaps modernising how it operates could be a useful tool in the process. I am not sure why the Government got themselves into a row last year with neighbourhood watch, but there is a need to build bridges with the National Neighbourhood Watch Association, which felt bruised and unloved by the Government when the debate over funding of how it operates centrally took place. I understand that many of the concerns have been resolved, but it would be useful if the Minister clarified where we are on neighbourhood watch.

As the debate progressed, we got on to the issue of ASBOs and at what point in the process it is useful to put in place such a punishment. The hon. Member for Nottingham, North used a phrase that I quite like. We do not want to get too involved in what I think he described as policy smacking.

Mr. Allen: Snacking.

Mr. Oaten: I would use the phrase with either word; it works with both. The hon. Member for South Derbyshire (Mr. Todd) also touched on ASBOs, saying that he hoped that they would come at the end rather than the start of the process. The Minister will tease me

[Mr. Oaten]

about this endlessly, but I have come to the view that there is a useful role for ASBOs. That said, I share the hon. Gentleman's concerns that they should either be a last resort or be matched with something else. I have described such a scheme as ASBOs-plus.

The contributions of the hon. Members for Nottingham, North and for South Derbyshire hinted at the fact that ASBOs alone can be effective in a short-term way, but other measures must be put in place. That is about tackling the underlying causes of behaviour. The hon. Member for Nottingham, North asked questions, but not many answers were given, because we all struggle to come to terms with what the answers are. Why do 12, 13 and 14-year-olds go off the rails? What can we do to try to tackle the problems? The hon. Member for South Derbyshire talked about alternatives—one of which involved skateboarding—tackling drug problems, doing things in the community and trying to find ways to get to these individuals early. Again, the youth work that the Government have done in that respect has been good. There have been pilots involving early intervention and identification of youngsters who may end up getting into trouble. I enjoyed my visit to Bristol to see how that work is done. If we can expand it much further and nip things in the bud, before individuals have gone down the track of having problems, that will be very helpful.

I conclude with two thoughts. For me, the most telling thing in the debate has been the request from the hon. Member for Nottingham, North to allow different forms of experimentation up and down the country. That is essential because not every solution will fit every area. My constituency and other constituencies are different, and we need different approaches. If the Government can resist the temptation to impose too many set models and can allow mistakes to take place in certain parts of the country as the price of different experimentation, that will be very worth while.

The matter is complex, and must be seen within the context of police forces having to do things that they did not have to do 15 years ago, because of organised crime, drug problems, binge drinking, internet pornography and complex issues relating to terrorism. This critical matter should be up there with all of them, and I am grateful for the way that the hon. Gentleman set out his thoughts on how neighbourhood policing should play its role.

3.10 pm

Mr. Andrew Mitchell (Sutton Coldfield) (Con): I start by apologising to you, Mr. Deputy Speaker, and to the Minister for my late arrival. I apologise, too, to the hon. Member for Nottingham, North (Mr. Allen) who, with great courtesy, gave me a copy of his speech. The irony is that while he was delivering it, I was reading it, close to this Chamber. I hope he feels that although he did not have my presence I was with him in spirit.

I congratulate the hon. Gentleman on securing the debate. Neighbourhood policing is a matter about which he has frequently expressed his concern. The hon. Gentleman and I entered the House on the same day in 1987 when he was elected for a central constituency and I for a suburb of Nottingham. I have the greatest possible affection for the city, which is a great place.

In November, the hon. Gentleman secured a debate in which he explained that it was his view that we could

"effectively increase the amount of time that police officers currently spend on the streets by 25 or 30 per cent."—*[Official Report, Westminster Hall,* 9 November 2004; Vol. 426, c. 227.]

On 8 December, he asked a question to the Prime Minister about linking the criminal justice system nationally with local policing and crime reduction initiatives. During a debate on the Serious Organised Crime and Police Bill, which is closeted in Committee, where I am leading spokesman for the Opposition, he made it clear that he saw the beat officer as a central pillar of neighbourhood policing in a constituency such as his, where beat officers are not being replaced and vacancies are not being filled.

In another debate, the hon. Gentleman also said:

"The people of Nottinghamshire know that we have a record number of police officers in post in Nottinghamshire, but they also ask, 'Where are those police officers?'".—*[Official Report,* 15 November 2004; Vol. 246, c. 1018.]

Those are very fair points. I attach particular importance to what the hon. Gentleman says because he has recently been on the police parliamentary scheme, and he knows what he is talking about.

The hon. Gentleman mentioned the five key components of neighbourhood policing and I very much agree with what he said about it. I also agree very much with what the hon. Member for Winchester (Mr. Oaten) said about the importance of knowing who the beat officer is. I am impressed that he has 22 names to go with the 22 beats in his constituency. That is enormously important and I strongly agree with the proposition that the telephone numbers of the relevant beat officer should go out with the council tax form. That is a very good idea, which I hope the Minister will consider.

The hon. Member for Nottingham, North paid tribute to the local commanders in his constituency. I, too, pay tribute to Douglas Paxton, a superb policeman, who is chief of police in Sutton Coldfield. He is leaving shortly, although he has been in that post for a decent length of time. In the 18 months after I first became Member of Parliament for Sutton Coldfield, there were three chiefs of police. I complained on behalf of my constituents that that was wrong. I very much support the work that the police in Sutton Coldfield are doing on antisocial behaviour, which has been a common theme in the debate.

The hon. Gentleman mentioned the importance of community support officers, but emphasised that they are not a substitute for properly trained policemen and women. I strongly agree with him. Conservative Members believe that there is an important role for CSOs in being visible; the public like them. We are extremely concerned, however, that the Government see them as a substitute for police officers.

I would welcome an assurance from the Minister that CSOs will be properly evaluated. There has been some evaluation but we want more independent evaluation before what the hon. Member for Winchester referred to as the tag-on of more powers takes place. We will discuss that next Tuesday in the Serious Organised Crime and Police Bill Committee. It is important that there should be independent evaluation of CSOs.

The third component is neighbourhood wardens. I was distressed to hear the hon. Member for Hendon (Mr. Dismore) say that a Conservative council had

removed them from his constituency. A Conservative council in Birmingham has just given my constituency two of those wardens, and we are delighted to see them there.

Mr. Dismore: The council have not removed them; they have downgraded them by reducing their hours and diluted their effect by expanding their responsibilities, so that they are far less effective than when they were first instituted under the then Labour-controlled councils.

Mr. Mitchell: I am glad to have put on the record that they have not been removed by a Conservative council.

I strongly agree with the point made by the hon. Member for Nottingham, North about the community and neighbourhood watch. I believe that neighbourhood watch is enormously important. I hope that the Minister will be able to say something about neighbourhood watch today that may encourage people who are feeling bruised by what happened last year. I hope that she will feel able to say something to encourage neighbourhood watch, which, in Sutton Coldfield, plays an important part in our deterrence of crime.

My final point on multi-agency working is to say that I agree with the hon. Members for Nottingham, North and for Winchester on the importance of deterring antisocial behaviour. That is something common to all of us, as has been emphasised by the debate today.

My hon. Friend the Member for Orpington (Mr. Horam) stood up, as ever, for policing in his constituency, and underlined his point by saying that mobile phone numbers are a good way of contacting local beat officers and assimilating local intelligence. He gave some examples from New York, a topic that I also hoped to talk about but may not. He also talked about the importance of a fair deal for the suburbs, on which he made common cause with the hon. Member for Hendon, and about the fact that antisocial behaviour is a big problem in his constituency, as it is in mine. He asked several questions, to which I look forward to hearing the Minister's answers.

The hon. Member for Hendon agreed on the point about a fair deal for the suburbs, and he also asked a number of questions. The hon. Member for South Derbyshire (Mr. Todd) talked, with some reservations, about ASBOs and about the importance of the zero-tolerance approach to crime locally, with which I strongly agree. He also made an important point about the use of specials—indeed, he adopted a Conservative proposal to give a bounty to special constables. The number of specials has declined significantly under this Government—by some 45 per cent. since 1997. I hope that the Minister will feel able to comment on the importance of specials and what she and her colleagues intend to do to promote them.

Finally, I should like to emphasise the point made by the Liberal spokesman, the hon. Member for Winchester: that in local policing we must avoid top-down set models, which were a serious error of judgment by the former Home Secretary. We must ensure that local solutions are used to deal with local problems. I do not necessarily expect the Minister to agree with me and the hon. Gentleman, but I hope that she will take that point on board, because it will lead to much better neighbourhood policing.

I again congratulate the hon. Member for Nottingham, North—my former parliamentary near neighbour—on securing the debate and on the consistent theme that he has brought to his comments in the House on neighbourhood policing. It is greatly to be welcomed that there now appears to be a degree of cross-party agreement on how the matter should be taken forward.

3.19 pm

The Minister for Crime Reduction, Policing and Community Safety (Ms Hazel Blears): I am delighted to congratulate my hon. Friend the Member for Nottingham, North (Mr. Allen) on securing the debate. This is an appropriate time to hold it. My hon. Friend may not know it, but the first ever national conference on citizen-focused policing is being held today; there are hundreds of police officers just down the road thinking about and working on the practical ways in which they can involve their communities to ensure not only that we have the reassurance from neighbourhood policing but, crucially, that that policing is hard edged and problem solving, using forensics and intelligence. Neighbourhood policing should not be simply a nice warm, woolly, fuzzy feeling about giving people reassurance; it should be at the heart of a modern approach to problems that face us in the 21st century. As my hon. Friend said, it should not hark back nostalgically to the 1950s either. He is a member of the police parliamentary scheme, and I think that that has given him a great deal of practical insight into the problems that our police services face on the ground.

I am happy to join my hon. Friend in paying tribute to my hon. Friend the Member for Gedling (Vernon Coaker), who is here today. He has been a stalwart and active voice in ensuring that we drive policy to meet the needs of local communities, and that has been particularly true in his community in Nottingham. He was certainly very influential in our recent decision to introduce fixed-penalty notices for under-16s. I am delighted that we are now piloting the scheme in Nottinghamshire and I am looking forward to the results of that pilot. My hon. Friend has been very supportive, as has my hon. Friend the Member for Nottingham, East (Mr. Heppell), who, again, is absolutely focused on the issues of policing in his community.

It is fair to say that had we been discussing these issues a year or 18 months ago, the performance of the Nottinghamshire force would have been a cause for concern. It is partly due to the contribution of the local Members of Parliament, who have helped to support the force, that we are now seeing some pretty good performance in Nottinghamshire in crime reduction and in driving up the sanction detection rate. There is still more work to do, but policing in that community is now much better.

I am also happy to join my hon. Friend the Member for Nottingham, North in welcoming the "Respect for Nottingham" campaign undertaken by the city council. It shows the power of partnership, and ever since I took on my current responsibilities I have been saying that

[Ms Hazel Blears]

policing and community safety are not simply matters for the police service. We must also involve local councils and the health service, which can help to tackle some drug problems that we face. Crucially, we must think about education, to ensure that we get to the causes of problems and achieve solutions for the longer term.

It would be remiss of me not to remind hon. Members that we have made much progress. We are not starting from scratch; we have nearly 140,000 police officers—record numbers—on the ground. I am happy to give a reassurance yet again, although I must have done this a dozen times, that we see community support officers as an addition to those record numbers of police officers. They are complementing the skills of police constables and are an integral part of the team approach to policing—although, again, that approach is about not only police officers and CSOs, but wardens and, increasingly, accredited members of the security industry, who are being given limited powers and can be part of the extended police family. That really is the future for policing.

I am glad that there is a degree of consensus among hon. Members present. Of course, it would be churlish of me to say that everyone now supports the Government's policy, but I genuinely feel that many of the things that the hon. Members for Winchester (Mr. Oaten) and for Sutton Coldfield (Mr. Mitchell) mentioned are happening and have been happening under this Government for several years now. They have not started happening just recently.

In dealing with some issues that my hon. Friend the Member for Nottingham, North raised, perhaps I can give him a little reassurance. First, he and several other hon. Members raised the issue of specials, and I regard them as a very important part of our extended police family. Although their numbers have fallen in recent years, that is partly because many of them have become members of the regular police force. We have been expanding police force numbers, so specials have had the opportunity to be recruited and many of them have come through in that way. Furthermore, some have become CSOs, which is another route to the force. However, we had a major national recruitment campaign last year, with television advertising, and have received 4,000 applications as a result. Those applicants are now going through the system, and, in many force areas, the number of special constables is starting to rise for the first time in many years.

As part of the shopwatch scheme, which is now operating in London, we are getting people who work on retail premises—in Woolworths, Dixons, Marks and Spencer and Sainsbury—to train as special constables. They have been given powers and now patrol retail areas, and shoplifting in those areas is down by about 40 per cent. It makes good business sense to involve people from the local community. We also have specials, some with specialist IT skills, helping us with fraud investigations. That is a very different way of looking at the special constable resource.

I think that there are four schemes across the country in which specials are allowed to be paid, and they receive £1,000 a year. Interestingly, when consulted, half the specials said that they would welcome a small payment, but half said that they were volunteers and wanted to stay volunteers. The idea was floated that rather than paying them they could get a discount on their council tax. That is interesting, because it would establish a connection with what they are doing for their local community. Such schemes suggest ways in which we can think a little more creatively about rewarding people who want to come forward.

I am delighted that the two pilot schemes on the neighbourhood policing model are being carried out in Nottingham. The proposal to make special priority payments is a matter for the chief constable in the general scheme agreed through the Home Office. In many areas, beat officers get the special priority payments. That is a way of saying that they are a valuable part of the service. Everything that we are doing in the performance management regime to value neighbourhood policing, customer satisfaction and public confidence sends an important message to the service that that is not the soft end of policing. It is right at the heart of policing, and performance will be measured on how good neighbourhood policing is. That is how we will get the levers to drive the process forward.

I want to make it clear that the approach to neighbourhood policing is not about a "one size fits all" model. Communities are different. Inner cities are different from market towns; they share some problems of antisocial behaviour, as some hon. Members have said, but they are different places to police. Large rural areas with small concentrations of population are also different. Some areas may have a different team make-up from others. In some areas, a beat team might be predominately community support officers, perhaps led and managed by a PC. In other areas, with tough, serious crime, there may well be a predominance of fully warranted police officers, because that is what is needed—some investigators. The idea is to get the public to identify the problems and to shape our resources, so that the right people with the right skills are in the right place at the right time. That is neighbourhood policing in a modern framework.

Several Members mentioned the issue of continuity. That is very important. In north Wales, which I visited recently, a system has been developed whereby people give a three-year commitment—rather than the five-year commitment in the Netherlands referred to by my hon. Friend the Member for Nottingham, North—to be in that area, to do the neighbourhood policing and to build the necessary relationships. After all, neighbourhood policing is about building relationships. In return, the police force tells those people that it will be of benefit to their careers. There is proper agreement between the police officer, the police force and the local community; there is something in it for everyone. A beat contract and issues with the local community are also agreed, and the police officer reports back monthly on what they have done and, sometimes, on what they have not been able to do and what they will carry on trying to tackle. It is a long-lasting, continuous relationship.

I entirely take the point made by my hon. Friend the Member for Hendon (Mr. Dismore) about continuity at basic command unit level and at leadership level. That continuity cannot just be on the beat; it has to be throughout the service. Inevitably, getting the best

people into the right jobs will sometimes be a problem. My hon. Friend made some important points about the rigidity of the model used in the London area. I have no doubt that the Metropolitan Police Commissioner will carefully study my hon. Friend's well made points. We need to ensure that there is flexibility and that we have the right mix in relation to the needs of the local community.

The hon. Member for Orpington (Mr. Horam) said that his area needs more police officers. As I understand it, in the past 18 months there has been an increase of 42 in the number of police officers in Bromley, from 417 to 459. Like everywhere else in the country, that area has more police officers under this Government. I remind him of that. He welcomed the idea of a one-stop shop, although bricks and mortar—police stations—do not necessarily lead to the best policing. We have to get the people into the community to do the work. I am grateful for his support for what is happening in Biggin Hill.

My hon. Friend the Member for South Derbyshire (Mr. Todd) highlighted the excellent work going on in his community. The innovation around repeat burglary victims is good. Emphasis on parenting and the need to get to the causes of antisocial behaviour are absolutely key, as he said. I like to characterise that as trying to bring decency back into our communities.

Today's debate has been excellent. We need local solutions for local problems, but I have one caveat. The centre has a role to play, and so does target setting, because of equity and ensuring that the poorest communities in this country do not always get the poorest services. I am afraid that that did happen in the past, so we need a central framework with as much local innovation and diversity as possible. I do not think that those things are mutually exclusive; good government is about having some drive from the centre, but drawing in the innovation, enterprise and skills from the local area. That blend is what leads to long term sustainable success.

Colne to Skipton Railway Line

3.30 pm

Mr. Gordon Prentice (Pendle) (Lab): I welcome this opportunity to raise the issue of reopening a disused and dismantled railway in my constituency.

Many people—not just in Pendle but across the region, and in North Yorkshire next door—see the advantages in having this railway reopened. Getting a railway reopened, however, is a bit like pushing a boulder uphill. It is a never-ending task. The Countryside Agency produced a rail reopening toolkit in October last year, which claims to be a complete guide to the process of reopening a disused railway. It urges those who want a railway reopened to be rational and not fanatical. I will attempt to be rational this afternoon.

The Colne to Skipton railway opened in the autumn of 1848 and closed in January 1970. It is an 11.5 mile stretch running through very attractive countryside. There was a spur, which closed in 1965, from Kelbrook to Barnoldswick—the town where I live—but the link from Colne to Skipton is the key. After 30 years the track bed is still in good condition and if the link were reinstated it would open up east Lancashire to the prosperous market town of Skipton, over the border in North Yorkshire, and to the major commercial centres of Leeds, Bradford and other conurbations in Yorkshire. At the moment a train journey from Preston, on the west coast main line, to Skipton is a nightmare. It involves changing trains—sometimes twice—over a convoluted, dog-legged route with a travel time of at least two hours, and often considerably more.

Restoring the link, and I hope electrifying it in future, would open up a whole range of possibilities. A link to Skipton would give people from east Lancashire access to the Settle–Carlisle line and would in due course allow trains from east Lancashire to run into the national park almost to Grassington, the capital of lower Wharfedale, with its stunning countryside. That countryside is just sitting there, out of bounds to so many people in my constituency who do not have cars and who cannot get up there.

Mr. Nigel Evans (Ribble Valley) (Con): Does the hon. Gentleman agree that with ageing populations in the whole of east Lancashire, many people would be able to access not just east Lancashire but parts of the much wider area to which he refers? People in our patches are quite rightly both rational and fanatical about reopening this line.

Mr. Prentice: Indeed, and I agree with the hon. Gentleman, whose constituency is adjacent to mine. The Clitheroe–Blackburn line is a great success, with many people using it. There is a line from Skipton up almost to Threshfield, a couple of miles away from Grassington. It stops at the Tilcon quarry, but it is perfectly possible for that line to be opened up to passenger traffic in due course. That is what the Yorkshire Dales national park authority wants. We want to get people out of the conurbations for their leisure and recreation, into the glorious countryside of the national park.

Mr. David Curry (Skipton and Ripon) (Con): I entirely agree with the hon. Gentleman on that point,

[Mr. David Curry]

although an enormous amount of heavy investment in signalling would have to be done to expand the capacity of that line. Railtrack would have to give it slightly higher priority than it does at the moment. Does he not agree that his constituency and mine have been unified economically for a long time? The textile industry embraced both the Yorkshire and Lancashire side of the chain and the Aire valley is, in many ways, the backbone of that industry. The lines of communication and the demand for commuting down that valley would serve the eastern part of Lancashire and my constituency in Yorkshire.

Mr. Prentice: I agree with every word of that. Of course, on reinstating the line and bringing it up to standard, everything comes with a price tag. I shall deal with that in a moment.

There are proposals to build a road—the so-called A56 village bypass—along the line of the old track bed. That has been on the cards for years and has been championed vocally by the local Liberal Democrats. However, we cannot endlessly construct roads and build our way out of congestion by urbanising tranquil rural and semi-rural areas. Roads bring pollution and noise and are not always the answer.

At this point, let me introduce SELRAP—the Skipton-East Lancashire Rail Action Partnership—a campaign group formed just a few years ago in 2001 to work for the reinstatement of the railway. It has, through its Herculean efforts, had a huge influence on shaping public opinion. I pay tribute to a number of people involved in that campaign, including Steve Broadbent, Andy Shackleton, David Magnall, Steve Arnold and many others who work tirelessly night and day to build an ever-growing coalition of support.

My colleagues here today—the right hon. Member for Skipton and Ripon (Mr. Curry) and the hon. Member for Ribble Valley (Mr. Evans)—are patrons of SELRAP, as am I. My Conservative opponent at the next general election, Jane Ellison, enthusiastically supports SELRAP and has spoken publicly about the benefits of bringing back the railway. That is good. Members of the European Parliament, Diana Wallis and Chris Davies, have spoken in support, as has Virgin Rail. One of the major employers in Skipton and Ripon—the Skipton building society—has been vocal in its support.

Brian Simpson, the director of the north-west rail campaign, was in touch with me earlier today. That campaign represents the Greater Manchester passenger transport executive, Merseytravel, Greater Manchester chamber of commerce, Manchester airport and lots of local authorities, so it is a heavyweight organisation. He said:

"The north-west rail campaign would certainly support the reinstatement"

of the line,

"provided, of course, that a robust case can be put forward that would show that the line could act as a tool for economic regeneration, environmental protection and tourism development."

We can show that.

North Yorkshire county council is fully signed up. Craven district council in North Yorkshire—adjacent to my Pendle constituency—wants the railway back and Lancashire county council has moved its position over recent years and has, through its structure plan, kept the railway option alive. People on the ground, including Kelbrook and Sough parish council, support the idea, and when SELRAP canvassed public opinion in the area last year, 87 per cent. of local people who responded said that they were likely or very likely to use a reinstated railway.

So what is the problem? The only fly in the ointment is the local Liberal Democrats who run Pendle borough council. Under pressure, they agreed that the track bed should be protected, but they show no enthusiasm for the project to bring back the railway, which is tragic. The leader of Pendle borough council, Alan Davies, said last year that the campaign to reinstate the line was a "pipe dream". He stated:

"The railway line is not coming back on that track bed and as soon as we accept that as a fact we can get on and relieve the real problems."

By that, he meant building yet another road.

The Liberal Democrats exasperate me. They are like a franchise operation—they use a national logo, but on local policies they pick and mix. Nationally, the party would not recognise what Liberal Democrats say locally, as they resist bringing back the railway. Councillor Tony Greaves, Alan Davies's colleague and now also a member of the House of Lords, described the bid to bring back the railway as a "non-starter". Only a few weeks ago he told my local paper, the *Colne Times*:

"It is disappointing that people have put a lot of time into pushing for the re-opening of the link with Skipton—a non-starter—while the line from Colne to Gannow is under threat."

Lord Greaves went on to tell the *Lancashire Evening Telegraph* on 19 December:

"Gordon Prentice's Government"—

that has a certain ring to it—

"is threatening a large number of branch lines with closure. Perhaps he should concentrate on that."

The situation is changing even as I speak. The Railways Bill is before Parliament, the Strategic Rail Authority is being wound up and the responsibility for the shape of the network is to fall on central Government.

I was interested in what the Minister said yesterday in the debate on community railways. We need to involve and empower local communities, to help them get the rail services that they need. I reflected on the issue after listening to the debate and, with the new proposals emerging, I wonder whether there is an opportunity to reinstate dismantled railway lines as part of the community rail programme, from build right through to operation.

Why should the railway be reinstated? Some 20,000 people in Barnoldswick, Earby, Sough and Kelbrook do not have direct access to the rail network. I am not talking about a backwoods part of the country. There are major employers in the area, such as Silentnight Beds, Rolls-Royce—the fan blades for a lot of aeroplane engines are manufactured there—and Country Holidays. That is one reason why I want the railway to be brought back. Doing so would open up a new trans-

Pennine corridor with North Yorkshire and Yorkshire beyond, and give people direct access to commercial and recreational opportunities. People who live in Yorkshire could sample and enjoy the recreational opportunities of Lancashire and the north-west and, as I said earlier, the Yorkshire dales would be opened up to the people in east Lancashire. Bringing back the railway would also reduce traffic in the national park more generally, which is surely a public policy objective that we can all agree with.

What about the feasibility of the reinstatement? As I said, the track is in good condition. The British Rail Property Board owns a section of track from Colne to Foulridge, which is about 2 miles long. Craven district council in North Yorkshire has a policy of protecting the 5-mile stretch from the Lancashire border to Skipton. Much of the track bed is in private ownership, but it is in good condition. The remaining 4-mile stretch is owned by Lancashire county council. It originally proposed using the track bed for a new bypass, in the deposit edition of the joint Lancashire structure plan, but the public opinion that I mentioned earlier forced a rethink. The original proposals were modified to allow other options, such as reinstatement of the railway.

Bringing back the railway is technically possible. North Yorkshire and Lancashire county councils commissioned the consultants Steer Davies Gleave to report on it, and in August 2003 it published its findings on the strategic value of the route for the development of trans-Pennine passenger and freight services. It concluded that the track bed is in good condition and largely intact, although it has been severed in two places, and bridges would be needed, one of them over the Leeds-Liverpool canal. The work would come with a price tag, but the consultants, who are skilled in such costings, estimate that it would be possible to reinstate the railway for £33 million. Such figures do not scare us—that is less than the cost of a single Eurofighter Typhoon. In 2003, Lancashire county council estimated the cost of building the new bypass—over which the Liberal Democrats salivate—as £37 million. So, it would be cheaper to reinstate the railway than to build the bypass.

What do we conclude from all that? There is a huge coalition of support for the reinstatement of the railway; the cost of bringing it back would be relatively modest; it would open up new economic and recreational opportunities for people on both sides of the regional border; it would lead in due course to the electrification of the railway from Preston to Skipton; and it would be a major driver in the regeneration of east Lancashire, where there are so many socially excluded people. That is the vision that I share with the right hon. Member for Skipton and Ripon and the hon. Member for Ribble Valley—if I dare speak for them—and with the thousands of people who support SELRAP. It is not a pipe dream, and I very much hope that it has the Minister's support.

3.47 pm

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): I congratulate my hon. Friend the Member for Pendle (Mr. Prentice) on having secured the debate. He has conjured up a wonderful image of the opportunities that would be on offer as a result of opening the Colne to Skipton railway line, and I know that he has campaigned long and hard, alongside SELRAP, to bring his vision about.

My hon. Friend will be aware that our general approach to local and rural railways is to work towards putting them on a sustainable basis for the long term, so that they can continue to offer vital services for passengers and freight and to contribute to the local economy, as well as meeting Government targets on accessibility, the environment and, as he said, social inclusion. The general aim is to make better use of the subsidy already going into the railways, rather than providing—at this stage—additional grants for development. To that end, the Strategic Rail Authority published the community rail development strategy in November 2004. Sadly, at present, re-openings fall outside the scope of the strategy. Even extensions that represent value for money in economic terms invariably require additional subsidy, which is currently unaffordable.

The existing railways at Colne and Skipton provide local and longer-distance services. The service from Colne is one train an hour to Blackpool via Blackburn and Preston. I understand that the Association of Community Rail Partnerships, with the support of Lancashire county council, is actively developing a partnership for the line between Colne and Blackburn, which it expects to establish by the middle of the year. It will work with the train operator, Northern, and with Network Rail, local authorities, community organisations, businesses, development and tourism agencies and other locally-based bodies to promote the line.

From Skipton, there are regular stopping services to Leeds and Bradford, generally two trains to each destination every hour during the day, and it is served additionally by trains running between Morecambe and Leeds, and Carlisle and Leeds. It is, of course, part of the well known and well loved Settle to Carlisle route. Lancashire county council has received the Steer Davies Gleave report on the future of the railway formation around Skipton and Colne to which my hon. Friend the Member for Pendle referred.

Some conclusions of the report are:

"In the short to medium term it appears difficult to make a case for route reinstatement to serve longer distance strategic passenger movements. However, in the longer term there may be potential, particularly if the funding environment returns to one more conducive to investment in rail capital projects. If the route were reinstated to serve longer distance movements it would offer an opportunity to serve areas within the corridor both by stopping express services and local services;

A double-track reinstatement would provide the greatest amount of operational flexibility which is potentially important for longer-distance passenger services that might have to be pathed through constrained areas elsewhere. The Villages Bypass scheme as proposed would effectively restrict the railway to a single-track reopening on the current alignment which might compromise the benefits to strategic passenger services . . . The most cost effective way of maintaining the rail alignment is for the Villages Bypass to adopt an alternative route from that proposed at present".

The report also stated that the forecast of local passenger flows was not sufficient to make a case for the railway in its own right, as the cost of installing track alone was £33 million. It may appear to be a drop in the ocean to my hon. Friend, but it is still a significant amount of money.

[Charlotte Atkins]

The Strategic Rail Authority set out its plans for the railways in its strategic plan of January 2003. The plan makes no reference to reopening the line within the 10-year transport plan period, and it remains the position that there are no plans to do so.

The longer-term planning of the network—that is, over the next five to 20 years—will be determined by a series of regional planning assessments that the SRA is conducting to cover each English planning region. RPAs consider the function of the railway within current and future land use transport systems and its role in supporting the economic and wider development objectives of local, regional, devolved and central governments. Colne to Skipton falls within two RPA areas. Work on the north-west RPA is in progress, and the SRA expects to publish the conclusions in the spring. The Yorkshire and Humberside RPA is due to commence in the spring.

The SRA has taken the view that it would be prudent to safeguard the Colne to Skipton transport corridor for transport use until such time as the relevant RPA studies have been undertaken, as they will be of key significance in assessing the case for reopening the route for rail. It is a shame that the local Liberal Democrats do not share my hon. Friend's vision.

Since May 2003, the Lancashire structure plan has safeguarded the Colne to Skipton rail route for transport use, and the A56 villages bypass has become the third priority in the programme of major road schemes. The pre-adoption version of the Lancashire structure plan states:

"The value of the former Colne-Skipton railway line includes possible long term potential for rail reinstatement as well as being the current preferred route for the A56 Village Bypasses. It is, therefore, important that this corridor is safeguarded for transport purposes. Before a final decision is made on the most appropriate road alignment further analysis of options will be undertaken ensuring that the potential of rail re instatement is not precluded."

There are no plans to reinstate the railway between Colne and Skipton, but the route is safeguarded for transport use. I am sure that the enthusiasm and the campaigning zeal of my hon. Friend will carry his vision forward.

Strategic Transport (Norfolk)

3.54 pm

Mr. Keith Simpson (Mid-Norfolk) (Con): I welcome the opportunity to debate this subject, and I am grateful for the support of other Norfolk MPs. I notice in the Chamber my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard) and the hon. Member for Norwich, North (Dr. Gibson).

Given the geographical position of Norfolk, transport access is crucial to the local economy and tourism, and for attracting new business and addressing social deprivation. Of course, this is a broad subject that includes access by air through Norwich airport, and access by rail and sea. However, I intend in the short period available to me to concentrate on access by road. My motivation for putting in for this debate was the announcement in a Highways Agency press release on 1 December 2004 that three vital road schemes for Norfolk—the A47 Blofield to North Burlingham dualling; the A11 Attleborough bypass; the A11 Fiveways to Thetford dualling—were being downgraded from "national importance" to "regional schemes". All three schemes were programmed for completion by the end of 2008, and will now find themselves being

"progressed subject to regional priorities".

Mrs. Gillian Shephard (South-West Norfolk) (Con): I congratulate my hon. Friend the Member for Mid-Norfolk (Mr. Simpson) on obtaining this debate, which is of huge interest to everyone in Norfolk. Did he not find it extraordinary that he, as a constituency MP whose road scheme is affected by this summary withdrawal of Government approval, was not informed by the Government of their plan to withdraw their approval—as, indeed, I was not informed of the decision affecting the Attleborough bypass?

Mr. Simpson: My right hon. Friend makes a very good point, and I shall touch on this a little further in my speech.

This announcement from the Highways Agency caused both anger and dismay in Norfolk, as we felt that the Government had broken their promises about these schemes. Let me remind the Minister of just how important the A11 and A47, and these schemes, are to Norfolk.

Since 1997, I and other Norfolk MPs have initiated and spoken in debates in this House on why it is essential that the Government take a strategic view of these two main trunk roads, and how necessary it is that they should be dualled throughout. Is the Minister aware that Norwich is the only city in England and Wales that is not accessed by dual carriageway? In previous debates, I have taken the lead in stressing the importance of dualling the A47, part of which runs through my constituency of Mid-Norfolk. The A47 Blofield to North Burlingham section, one of the programmes that has been kicked into the long grass, is an example within my constituency. On 15 September 2003, I led a cross-party, cross-Norfolk delegation to lobby the Under-Secretary of State for Transport, the hon. Member for Staffordshire, Moorlands (Charlotte Atkins) on the need to dual the A47, and to press for a decision on the infamous single-lane Acle straight, between Acle in my constituency and Great Yarmouth.

The Highways Agency's announcement on 1 December raises many serious questions about the integrity of the Government's road transport policy as it affects Norfolk and the eastern region. I have come here today to urge the Minister to reverse those decisions and explain the anomalies and contradictions behind them. It would, as my right hon. Friend the Member for South-West Norfolk said, have been courteous and helpful if the Department had actually notified local MPs of this decision in December. We had to learn about it from the local media. None of us was informed, and that includes the Secretary of State for the Home Department, the right hon. Member for Norwich, South (Mr. Clarke). I understand that he had something of a sense of humour failure over this.

Can the Minister explain why the A11 and A47 are not regarded as roads of national importance, but rather as regional roads? Even in the listing of regional schemes, the A11 and A47 are fourth in line after

"schemes under construction, schemes planned to start construction by April 2008"

and

"schemes to be progressed for future construction".

At the bottom of the pile, our trunk roads come under

"schemes to be progressed subject to regional priorities".

This means that the A11 and A47 would be thrown into a regional transport pot for reprioritisation, along with all other local major schemes, with the earliest possible start date at the end of this decade.

Mr. Henry Bellingham (North-West Norfolk) (Con): My hon. Friend will be aware that the western part of his constituency, the whole of my constituency and the constituency of my right hon. Friend the Member for South-West Norfolk (Mrs. Shephard) also rely to a significant extent not just on the A47 but on the A17 and the A10. If the situation is bad for the A11 and A47, it is going to be a great deal worse for those two other roads, which are important as strategic links to our constituencies.

Mr. Simpson: My hon. Friend makes a very good point. Anybody looking at a road map of the United Kingdom sees that Norfolk is one of the few parts of the country where there are virtually no significant roads shown: we appear to be almost without transport.

The badly thought out nature of the proposals is well illustrated by the fact that the A11 and A47 will be considered through regional transport boards. The problem is that, as far as I know, those boards have not yet been set up, and it is not clear how the local authority interest will be represented and safeguarded. What can the Minister tell us about the establishment and remit of the regional transport boards? Is the Minister aware that the East of England regional assembly originally approved extra housing? In Norfolk alone, approval was given for some 72,600 houses by 2021, as long as infrastructure, including transport, kept in step with growth. The chairman of the East of England regional assembly wrote to the Minister for Regeneration and the Regions on 22 December 2004 that the

"key transport schemes had been arbitrarily cut from the approved programme, which suggested a lack of good faith by the Government. At a meeting on 10 December, the Assembly condemned the cuts and regarded the endorsement of the housing plan as suspended."

Dr. Ian Gibson (Norwich, North) (Lab): I want to reassure the hon. Gentleman that in this important debate he has the support of all parties, all MPs and organisations that have considered this problem in Norfolk over the years. Will he find time to talk about the accident rate, which is sometimes swollen by the holidaymakers who come to Great Yarmouth, for example, in the summer? Every week there seems to be a terrible story of some horrific crash, often resulting in deaths, which has become almost acceptable to the public. From our point of view, it is unacceptable.

Mr. Simpson: I thank the hon. Gentleman. I shall touch on that later, as it is an important point.

It is called the law of unintended consequences: given the failure of the Government's referendum on regional assemblies in the north-east, and Norfolk's experience of decisions by both the assembly and the East of England Development Agency, the Minister will not be surprised to learn that we in Norfolk have very little confidence that either the A11 or the A47 will receive any kind of priority under the proposals put forward by the Highways Agency.

In the strange world in which the Government operate, there is another glaring anomaly about those decisions. I understand that, just before Christmas, the Home Secretary intervened with the Secretary of State for Transport and persuaded him to reinstate the A11 Attleborough bypass scheme to the category of national importance. I do not know whether such an agreement is in writing, but can the Minister confirm whether the scheme has been reinstated? If it has been reinstated, without meaning to be churlish, I must question the basis of such a decision. Was it made because the Secretary of State for Transport believes, after all, that it genuinely meets the criterion of national importance? If so, why not the A11 Fiveways to Thetford or the A47 Blofield to North Burlingham scheme? Or is it because the Attleborough bypass is close to the constituency of the Home Secretary? I actively support all colleagues supporting that scheme, but it seems to be a strange anomaly.

Finally, we are waiting for a decision on the dualling of the notorious Acle straight on the A47, shared by me and the hon. Member for Great Yarmouth (Mr. Wright), who is in the Room. Will there be a decision soon, and if so, are we to assume that, like the other Norfolk schemes, it will come bottom of the list of regional priorities?

As the hon. Member for Norwich, North pointed out, the issue is not just about improving transport and economic development. Dualling saves lives. Every study done by the Government and local authorities shows that where dualling is introduced, the number of accidents, including fatal accidents, is reduced. In the early evening of Thursday 6 January, Mr. Glenn Fransham was killed on the Acle straight, near the Halvergate junction in my constituency, and the road

[Mr. Simpson]

was closed in both directions for four-and-a-half hours. As well as the tragedy for his family, Great Yarmouth was effectively cut off. That is totally and utterly unacceptable.

The Government have failed to consider the A11 and A47 strategic roads necessary for the development of Norfolk as well as the whole of eastern England.

Mr. Anthony D. Wright (Great Yarmouth) (Lab): I apologise for being late; I had a constituents' meeting. Does the hon. Gentleman agree that, although the European Union has accepted that the A47 is part of the trans-European road network, the Government must show the same commitment with respect to the strategic route of the A47, which runs all the way through to King's Lynn and beyond?

Mr. Simpson: The hon. Gentleman has argued very strongly on this issue, along with all of us here. He is reinforcing my point that the A47 is not only crucial in Norfolk, but the main east-west road running all the way to the midlands. I know that it is an entirely separate issue, but the hon. Gentleman and all of us here are waiting with anticipation for a decision by the Secretary of State about the outer harbour at Great Yarmouth. That decision will be made on separate criteria, but if it goes ahead, as we all hope, the dualling of the A47 will become significantly important.

Mrs. Shephard: My hon. Friend is illustrating, as has also been shown by the interventions of fellow Norfolk MPs, that there is a complete lack of strategic understanding of the importance of road networks in Norfolk. It is not possible to think of developing any of our towns, including Great Yarmouth, without some thought about how people are going to get there. Equally, if the Government talk about growth in housing and general regeneration of Norfolk, they have to give strategic thought to how people are going to get in and out of the county safely, which was the point made by the hon. Member for Norwich, North (Dr. Gibson). A quick look at the accident and emergency figures in our hospitals will show the impact of unsafe and undualled roads.

Mr. Simpson: My right hon. Friend's point reinforces the arguments about road safety and expansion. The Government want to put a lot of resources and effort into the expansion of the economy in East Anglia. I recognise and support that, but we will not get that expansion if the impression is that Norfolk is somehow cut off.

By every criteria that the Government hold dear, the dualling of the A47 and A11 must come high in their priorities, particularly in terms of dealing with social deprivation. Many people are under the impression that Norfolk is a wealthy county. There are undoubtedly parts of Norfolk where there is great wealth and the possibility of generating great wealth, but all hon. Members in this Room have in their constituency areas—in some cases, large areas—of direct social deprivation. Given that alleviating deprivation is a Government priority, that is a strong reason for examining the issue strategically.

Limited schemes for dualling the A11 and A47 have been cut, and it seems to the people in Norfolk that there is no logic to the Government's road policy. I urge the Minister to reconsider this decision, because it is unacceptable to the people of Norfolk according to all the criteria that I have put forward. I hope that she will realise that the strength of feeling is represented here today by almost all Norfolk MPs—the hon. Member for North Norfolk (Norman Lamb) would have been here but is in Committee.

Finally, I ask the Minister to remember that this year, Norfolk and Britain are celebrating the bicentenary of Admiral Horatio Nelson's victory at Trafalgar. Nelson was a Norfolk boy. He used to write about going into Norfolk and coming out of Norfolk as though Norfolk were almost a separate country, geographically, because of the poor communications. I leave her with a paraphrase of Nelson's famous signal at Trafalgar: "Norfolk expects the Minister to do her duty."

4.10 pm

The Parliamentary Under-Secretary of State for Transport (Charlotte Atkins): I congratulate the hon. Member for Mid-Norfolk (Mr. Simpson) on securing the debate and providing us with an opportunity to discuss what we are doing about providing transport infrastructure in his area. He painted a picture of an apparently neglected part of the country, cut off from the rest of it. I reassure him that that is not so.

The east of England as a whole is a vital region at national and international level. We are working closely with regional partners to deliver the transport infrastructure that it deserves and requires. Norfolk, by virtue of its geographical location, is sometimes perceived, especially by those living there, as being on the sidelines. However, in recent years there have been some additions to the strategic transport infrastructure, and those have improved accessibility in relation to the rest of the country.

Norfolk is served by four major roads from the west and south: the A47, the A11, the A12—which are obviously all trunk roads—and the A140, which is the responsibility of Norfolk county council. In recent years there have been several improvements to those roads, such as the Hardwick flyover at King's Lynn, which removed a major congestion point on the A47 and reduced delays by up to 50 per cent. The dualling of the A11 between Roudham heath and Attleborough has also reduced journey time.

A number of local transport schemes in Norfolk have contributed to improving access to the wider strategic network and, therefore, to connections with the rest of the country. However, it is not just within Norfolk that we need to look for improvements, as even improvements outside the county can be of benefit in improving accessibility to it. We are constructing the Thorney bypass on the A47, which has been promised by successive Governments for more than 60 years. It is due to open in early 2006 and will mean a major saving on journey time.

We commissioned a multi-modal study of the A47 between Norwich and Peterborough, which examined the whole corridor strategically. Although it concluded that there was no immediate need to build a dual carriageway along the whole route, it recommended that

certain sections should be investigated further. The Highways Agency is reviewing the case for the Middleton and East Winch bypasses and will review the case for upgrades to the further sections of the A47 between the A1 and Sutton and between North Tuddenham and Easton.

Of course, it is not just roads that service Norwich at a strategic level. The railways do as well. The successes of the Norwich to Cambridge direct rail service, on which patronage has increased as the result of rail passenger partnership funding supplied by the Strategic Rail Authority, are excellent news. Also, from 1 January, the new franchisee, One, has withdrawn 38-year-old locomotives between London and Norwich and replaced them with more modern and reliable ones.

The latest performance figures for One railway's London to Norwich service show that 88 per cent. of trains arrive on time. The latest timetable from One shows an increase in the number of trains each day between Norwich and London from 65 to 70, with later departures in the evening. That has been made possible by a decision that we took to amalgamate several separate franchises into one, covering the majority of the East Anglia region, which made possible more efficient operation on the Great Eastern main line.

The hon. Member for Mid-Norfolk identified the recent announcement on transport schemes locally and nationally as an indication of our neglect of the area. I should say straight away that we have not removed any schemes from Government programmes at national or local level. He mentioned the decision not to include the A11 in the near future roads programme. However—and he raised this—we have reconsidered our decision about the A11 Attleborough bypass. We have announced that, in light of the scheme's value for money and the stage that it has reached, the Highways Agency will now take it forward.

The other two schemes in the region relate to the A11 from Five Ways to Thetford and the Blofield to North Burlingham section of the A47. We have asked the region to advise us on the relative priority of those schemes and other transport proposals in the region.

Mr. Richard Bacon (South Norfolk) (Con): On the subject of the A11, we all welcome the notion of including the Attleborough bypass, but does the Minister understand that Norwich is the only major city in the UK not connected to the national road network by dual carriageways—a fact that I mentioned in my maiden speech three and a half years ago? One can get all the way from junction 9 on the M11 near Cambridge to Five Ways on a dual carriageway, and then suddenly it stops and one slows right down. Does the Minister agree that it is unacceptable that a city such as Norwich and a county such as Norfolk should be cut off in that way? Does she agree that getting the A11 dualled all the way, including the section from Five Ways to Thetford, should be a high priority?

Charlotte Atkins: That is why we asked the region to identify its priorities. If, as the hon. Gentleman suggests, that issue is so important, not just for Norwich but for the region, it will come very high on the list of regional priorities.

Mr. Simpson: The whole point of the debate and the arguments put forward is this: why does not the Secretary of State have a view on the matter? Strategy is decided at the national level, unless I wasted my many years spent teaching officers at the Army staff college. The Minister is talking about the tactical level. If the matter is to be decided by a region, which is, at the end of the day, a quango—I still do not know whether the regional transport board has been set up—we know from past experience that the schemes will be tail-end Charlies. We, and most observers, regard the schemes as crucial.

Charlotte Atkins: I do not know how the schemes can be tail-end Charlies if they are as important as Conservative Members suggest. "The Future of Transport" White Paper identified the value of involving regional bodies, local authorities and other key local stakeholders in shaping the programme of future transport investment in their areas. Local people on the ground know what the priorities are. Conservative Members, as leaders of local stakeholders and local political opinion, along with my hon. Friends the Members for Norwich, North (Dr. Gibson) and for Great Yarmouth (Mr. Wright), will ensure that such decisions are taken at regional level.

The hon. Member for Mid-Norfolk raised the issue of regional transport boards. There is no prescription from on high—from the Department for Transport—on how regions should co-ordinate and prepare advice on priorities. It is up to the region to decide to do that. The important thing is that the region makes those decisions based on the views of local stakeholders. It is important that they have the flexibility to develop those arrangements, simply because we are often accused of trying to run everything from Whitehall. We are devolving these decisions to the region.

Clearly, Norwich is an important centre and that will be taken on board by the region. If the lack of a dual carriageway is of such significance, the scheme will certainly be adopted as a high priority by the region.

Mr. Simpson: I know that the Minister is genuinely trying to address the problem, but can she explain why the three schemes were initially dropped from being of national importance to being of regional importance? The people of Norfolk had assumed that the schemes would go ahead, and that they would be completed in the next two or three years. In fact, Ministers urged me to congratulate them in previous debates. Why have the schemes been moved into a regional bracket? We know from the Highways Agency's literature that that means that they have slipped further down the decade. Why has the A11 Attleborough bypass scheme been brought back in, but not the other two schemes, particularly the scheme in my constituency, where the road accident rate alone would justify its introduction—

Mr. Deputy Speaker: Order.

[Charlotte Atkins]

Charlotte Atkins: Thank you, Mr. Deputy Speaker.

There is clearly an issue of prioritisation and of deciding which are the most important. We have made it clear that regional local bodies should have a stronger voice in decision making. We reinstated one of those roads because we recognised that it had a significant effect on local transport needs. The others will have to be prioritised, taking account of available resources. If the region gives them a high priority, there is no reason why they should not go ahead in fairly short order.

Mrs. Shephard: I know that a great deal of the problem is not of the Minister's making, but she must realise that when her speech is reported locally it will have a hollow ring. The three schemes were withdrawn—I think on 15 December—with no notification given to local Members of Parliament, and one was reinstated on 21 December. If that scheme—it is true that it was near completion—was not perceived to have been near completion when it was withdrawn on 15 December, how did it escape the attention of the Department for Transport?

Charlotte Atkins: It was not withdrawn. It was decided that the regional priorities should be reconsidered. I have stated over and over again that those programmes have not been cut from the list of schemes. We have asked the region to prioritise the schemes within existing resources.

Mr. Wright: Does my hon. Friend understand the frustration of my constituents in Great Yarmouth? For the past 30 years of my involvement in politics, I have been campaigning for the dualling of the Acle straight, an 8-mile stretch of road between Yarmouth and Acle. The frustration is caused by the fact that a programme in the early 1990s to dual the road was withdrawn by the Conservative Government in November 1996. It is a case of give and take. Under Governments of all political persuasions, it seems that no one is handling the problem with the required urgency.

At least we now have a commitment that doing nothing is not an option. For the sake of safety, I urge the Government to get on with it. I would certainly have more confidence in the regional bodies committing their resources to the area than I have in the Department for Transport.

Charlotte Atkins: My hon. Friend has campaigned long and hard for that dualling. He rightly points out that a Conservative Government shelved the scheme. At least we now have a Government who are willing to invest in public transport and roads. He can be absolutely sure that that investment will be spent wisely and on a value-for-money basis. We are providing huge resources to be spent on the road system, but we believe that the region should have a key view in the decision-making process and that it has the power to help us come to the right decisions.

It is important that regions consider basing their decisions not only on transport priorities but on related housing and economic development programmes. Transport should be seen not in isolation, but as part of the regional strategic decision-making process. That is why we are consulting on proposals for providing long-term regional funding guidelines covering transport and other policy areas. Subject to the outcome of consultation, we will publish later in the year indicative regional transport allocations for 2007–08, and longer-term planning assumptions going far beyond then.

Mr. Simpson: On that specific point, how is the Minister's Department reacting to the letter from the chairman of the East of England regional assembly saying that, as a consequence of the Highways Agency transport reallocation from national importance to regional, there is to be a vote by the elected members, putting into suspended animation the agreement for extra housing within the eastern region?

Charlotte Atkins: I am not fully aware of that communication, but I shall certainly write to the hon. Gentleman about it.

Funding guidelines will allow each region to take account of the impacts of individual decisions on wider objectives and enable them to base their strategies on more realistic assumptions of future funding. They will also mean that regions are better able to align their planning, housing, transport and economic development strategies and come to a common, integrated view on priorities within their areas. No matter what the scale of the project, we must be absolutely assured that it meets our five criteria for transport set out in the 1998 White Paper "A New Deal for Transport".

Those criteria are accessibility, safety, economy, the environment and integration. No project will fully satisfy all those criteria, but we must ensure that there will be overall net benefit from the scheme. That often causes tensions between the various criteria, and one of the main difficulties is caused by trying to satisfy the environmental and economic criteria.

Norfolk, of course, has many areas of great natural beauty and the need to preserve them for the enjoyment of local people and for the benefits that are brought to the area by numerous visitors must be weighed against any economic benefits that the new infrastructure might bring. The hon. Gentleman highlighted the A47 Acle straight, where there may be economic benefits from widening or dualling the road.

As we have demonstrated elsewhere, our policy on new transport infrastructure also takes into account the full environmental cost as well as possible economic benefits. We are awaiting the results of work done by the Highways Agency on the environmental impact of widening or dualling the road. We are also aware of the work carried out by the county council on the economic impacts, and we shall make a decision in due course. In the shorter term, the Highways Agency is investigating measures that can be implemented to improve safety as part of its ongoing network management responsibility.

As for Eastport, to which the hon. Gentleman also referred, the project throws up a wide range of complex issues that must be considered carefully by the Government before a decision can be reached on public funding. We are considering such matters and are mindful that there are time limits on some elements

of the potential funding. My right hon. Friend the Secretary of State for Transport is considering the potential impacts of the project on the ports sector and will provide advice to the Secretary of State for Trade and Industry, whose approval is required for the funding decision.

It is not only major transport projects that will increase the strategic access. Often several smaller scale improvements can make a big difference to the operation of the road network. The Highways Agency has developed route management strategies for the A47, A12 and A11. They set out its plans for the development and management of the routes over the next 10 years, with priorities identified for action over the next three years. Key proposals for the A11 include the closure of central reserve gaps with the aim of improving safety, reducing accidents and reducing delays caused by those accidents. The agency is also investigating measures to reduce congestion at the Five Ways roundabout, which, although located in Suffolk, will improve journey time reliability to Norfolk. On the A47 and A12, key proposals include ways to reduce congestion and improve access to Great Yarmouth.

Progress is being made to improve access to Norfolk. We have not axed any schemes from our programmes, but have asked the region to align its planning, housing, transport and economic development strategies and come to a common, integrated view on priorities within its area and then to advise us of its priorities.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Four o'clock.

Westminster Hall

Thursday 13 January 2005

[MR. JOHN MCWILLIAM *in the Chair*]

Environmental Crime

[Relevant documents: Sixth Report from the Environmental Audit Committee, Session 2003–04, HC 126, Ninth Report from the Environmental Audit Committee, Session 2003–04, HC 445, and the Government Responses thereto, Sixth Special Report, Session 2003–04, HC 1232.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Jim Fitzpatrick.]*

2.30 pm

Mr. Peter Ainsworth (East Surrey) (Con): It is an immense pleasure to serve under your chairmanship, Mr. Deputy Speaker. You are a distinguished member of the Environmental Audit Committee, whose reports we have gathered to discuss. However, it is a matter of regret to me—and, I am sure, to other Members—that you will be unable to contribute to the debate.

Mr. Deputy Speaker (Mr. John McWilliam): I could not have contributed anyway, as I did not take part in the study. I did not join the Committee until after then; otherwise, I would not be in the Chair.

Mr. Ainsworth: I hesitate to say it, but lack of knowledge has never before been an obstacle to hon. Members speaking on subjects in this House.

I thank the Liaison Committee for this opportunity to discuss the Environmental Audit Committee's reports on environmental crime, which, sadly, all Members are only too familiar with from our constituency work. When I applied for this debate, I did not realise that it would take place in the same week that the House debated the Government's Clean Neighbourhoods and Environment Bill on Second Reading. That covers much of the same ground and picks up on a number of the same themes and issues that the EAC reports explore. Several hon. Members present made distinguished contributions on Second Reading, including the hon. Members for Stoke-on-Trent, North (Ms Walley) and for Morley and Rothwell (Mr. Challen). I regret that, for pressing family reasons, I was unable to be present.

As this is the first opportunity for a while to discuss specific EAC matters, I want to say a few words about the Committee's work. It was established in 1997 with the formal remit to consider the extent to which the policies and programmes of Government Departments and non-departmental public bodies contribute to environmental protection and sustainable development, to audit their performance against such targets as may be set for them by Ministers, and to report thereon to the House. Significantly, like the Public Accounts Committee, the EAC is not tied to any Department, and it therefore has the flexibility to work across Government and all areas of policy. That is appropriate, as the environment is not confined to a single policy silo, but forms the context within which all Government activity, and, indeed, all human activity, takes place.

Since the EAC's inception, its work has ranged widely across Departments and topics. During the past year, we have conducted inquiries into the following subjects: the Treasury's pre-Budget report; the Department for Transport's aviation strategy, on which, perhaps, the least said the better; energy policy; the periodic review of water pricing; genetically modified crops; the Barker review of housing provision; the Government's sustainable communities plan, our report on which will be published shortly; progress towards greening the work of Departments; and the Government's sustainable development strategy. Among other things, we are currently examining the international challenge of climate change, the issue of Government procurement, and the extent to which the concept of sustainable development is taken forward within formal and informal education. We have a wide, challenging and rewarding remit, and I want to place on record the gratitude of the whole Committee for the staff who support our work. We would not be able to function at all without the Clerks, specialist advisers and Committee assistants who work so hard in the background.

Those of us who are concerned with and about the environment are prone to speculating gloomily on why the issue has not been as central to political debate as we feel it should have been. There are many reasons for that, although you will be relieved to hear, Mr. Deputy Speaker, that I do not intend to rehearse them all now. However, one reason is that, as the environment is everywhere, because it is the context in which we all live our lives, we are dealing not with a single issue but with many related ones. It is therefore hard to pin down. It is also natural that when people are confronted with such enormous, complex and difficult challenges as climate change, they tend to shy away and concentrate on more immediate and obviously tangible issues. Politicians have tended to follow suit. However, there can be no more obviously immediate or tangible issue than the quality of our local environment. It is that local environment that is affected by environmental crime.

In December 2003, the Environmental Audit Committee announced that we were establishing a Sub-Committee to conduct a series of inquiries into environmental crime. We have now published three reports. Two of them are "Environmental Crime and the Courts" and "Environmental Crime: Fly-tipping, Fly-posting, Litter, Graffiti and Noise"—things that the excellent charity ENCAMS refers to generically as "crapness", if that is not an unparliamentary expression. Those are the subject of our debate today. The third report, published last autumn, was on wildlife crime, and the fourth, which is the final one in the present series, is on corporate environmental crime and will be published shortly.

I am particularly grateful to Paul Stookes, chief executive of the Environmental Law Foundation, who has acted as specialist adviser in those inquiries. I take this opportunity to congratulate his chairman, Pamela Castle, on being awarded a well deserved OBE in the new year honours.

Our inquiries coincided with the consultation by the Department for Environment, Food and Rural Affairs on the same general subject. They also coincided with a rising tide of public concern about local environmental crime and antisocial behaviour and about the apparent inadequacy of the measures in place to tackle such

[Mr. Ainsworth]

problems. The truth is that for many years the issue of environmental crime has not been taken seriously enough by the police, local authorities and the courts. To some extent, they cannot be blamed for that; they have taken their cue from Government.

The EAC Sub-Committee received some particularly telling evidence from the head of the sentencing policy and penalties unit at the Home Office. When I asked him whether environmental crime had any meaning for him as a discrete area of the criminal justice system, he replied:

"to be absolutely honest, in terms of my day-to-day job and life, environmental crime is not at the forefront of my agenda".

At least that response had the benefit of candour, but I cannot help but wonder where he lives.

It is interesting to note that the Department that has taken the initiative in bearing down on environmental crime and criminals is DEFRA, not the Home Office. It is at last clear that a new and welcome effort is being made to tackle the issue, but years of neglect have created an ingrained problem. Some people have become habitual offenders, and others have come to accustom themselves to daily, pervasive and seemingly inescapable blight.

We have somehow allowed a culture to develop in which environmental crime is not seen as "real" crime. Of course, it does not have the same immediate impact as a violent robbery or burglary. Also, statistics make it look like a modest problem. It is estimated that there are up to 10,000 environmental prosecutions annually; that compares with a total of around 2 million prosecutions. However, the statistics by no means tell the whole story. The Sub-Committee was told that only about 10 per cent. of all known environmental offences end up in court.

In addition, the bald statistics fail to reflect the unique nature of environmental crime. It is distinct from other aspects of the law because of the impact a single incident may have on a large sector of the community, and on wildlife and habitats. There may be long-lasting adverse effects on the environment and future generations—effects that go way beyond simple visual blight and loss of amenity.

Visual blight is not as simple an issue as it may appear to be. There is clear evidence of a link between local environmental degradation and other more obviously serious crimes. If an area is allowed to become squalid, strewn with litter, scarred by graffiti and smothered with fly-posting, it will tend to attract squalid people and squalid behaviour. It is perhaps that aspect of the issue that causes the most public concern, breeding a deep and worrying sense of insecurity in communities across the country.

The problem also costs a great deal of money. Local authorities and other agencies—in other words, taxpayers—spend a staggering £3 billion a year clearing up the mess left by environmental criminals. That is a huge drain on our pockets and another good reason why such crime deserves far greater attention than it has received in the past.

Tandridge district council in my constituency is a small, efficient local authority, which like many others has had to come to terms with ever-tightening central Government support. Last year it recorded 940 instances of fly-tipping—about three per day. They ranged from small heaps of domestic rubbish to three-piece suites, which have become a familiar adornment to ponds throughout the land, to 10-tonne loads of builders' rubble. Last year it cost £50,000 to clear up that mess. Tandridge shares a boundary with two London boroughs, although I cast no aspersions on the boroughs in question. It is also much favoured by those who abandon vehicles, and dealing with those vehicles costs some £80,000 a year.

The problem is compounded by the difficulty in obtaining successful prosecutions, which is an issue that arose time and again during the EAC inquiries. I can illustrate the difficulty with another example from my constituency. The local authority felt that it was on strong ground when it brought a case of fly-tipping before the magistrates, because it had photographic evidence of a man and waste, a van and a verge. The accused, however, successfully argued in court that, far from dumping rubbish on the side of the road, he was loading it into his truck. The case was dismissed.

In our sixth report of the previous Session, "Environmental Crime and the Courts", we examined the role of magistrates in dealing with environmental cases and particularly considered the level of sentences being handed out. There was a widespread feeling that the sentences were inadequate. Another local example of that problem was drawn to my attention by Councillor Eric Morgan, the chairman of community services at Tandridge district council. In relation to a fly-tipping case, he wrote:

"We recently had a case that cost over £900 to bring before the magistrates. The defendant was found guilty and fined £150 of which Tandridge received nothing. Furthermore, this derisory level of fine almost encourages them to continue because it would cost them some £50 to dispose of their debris at a disposal site. Four undetected fly tips and they show a profit, while Tandridge cannot afford to bring many offenders to court."

That perfectly illustrates the predicament of many local authorities across the country.

In most cases involving small quantities of household waste, the dumping is done out of idleness and with a casual disregard for the consequences. Increasingly, however, as the waste disposal regime tightens, dumping waste has become a profitable business, which has not gone unnoticed by organised criminal gangs. That is another example of how environmental crime is not just unpleasant and sometimes dangerous in its own right, but insidiously linked with other more serious criminal activity.

I was pleased to note that the Clean Neighbourhoods and Environment Bill proposes increasing the maximum fine in a magistrates court for fly-tipping from £20,000 to £50,000, but will that extra power be used? There must be some doubt. There are very few cases, if any, of magistrates using the maximum penalty—mostly the fines are significantly lower. One reason for that was offered by the director of legal services at the Environment Agency, who suggested to the Sub-Committee that a magistrate used to sentencing by fines

of about £5,000 would baulk at going higher, even when permitted, in an area such environmental crime in which he feels he has little experience.

Mr. Deputy Speaker: I hope that the hon. Gentleman is not criticising magistrates, because I took my justices' oath in 1973.

Mr. Ainsworth: Certainly not; I would not dream of doing so. It would be a foolish person who criticised magistrates.

The Committee took evidence from the Magistrates Association, which shared some of the concerns that our report subsequently expressed. There is a problem in dealing with these types of environmental crime; they do not come before magistrates courts very often and there is, therefore, a need to address an information gap. I will put it no stronger than that. It remains to be seen whether increasing the maximum penalty will lead to an increase in the level of fines, which is generally felt to be far too low to act as an effective punishment, let alone a deterrent. We concluded that:

"For many forms of environmental crime, compulsory remediation work on the sort of blight for which the offender was himself responsible would be a more appropriate sentence than a fine."

We also recommended that there should be greater judicial training on environmental crime and the principles of sustainable development. In addition, we highlighted the need to improve training for prosecutors, particularly in local authorities, and for resources to be made available for that.

The Committee also drew attention to the lack of consistent reporting and data on environmental crime. Although the development of the Environment Agency's Flycapture database is a welcome move in that direction, it is confined only to collecting data on fly-tipping. There is a dearth of reliable information on most other types of environmental crime. As information is always crucial to the fight against crime, that urgently needs to be addressed.

Mr. David Drew (Stroud) (Lab/Co-op): Does the hon. Gentleman accept that one problem is that Flycapture is not necessarily compatible with police databases? Constituents of mine have reported matters to the police that have not been taken up because the police could not use the evidence. Will he comment on that?

Mr. Ainsworth: I am aware of that problem. Flycapture is a worthwhile and useful initiative. We need a lot more of that and we need it across the board, so that it can be used by all parties concerned with dealing with environmental crime, not just the Environment Agency, but local authorities, the police, prosecutors, investigators, and people responsible for clear-up. I suggest to the Minister that we need a national database of environmental crime. Until we have it, we will not have the information to go on in order to draw up effective, across-the-board, policies or to prosecute as adequately as we would like. Those ideas remain to be acted on.

I welcome a number of other new measures in the Clean Neighbourhoods and Environment Bill that are aimed at tackling the illegal dumping of waste, particularly the proposed powers enabling the Environment Agency or local authorities to stop, search and seize vehicles. The removal of the waste carrier's defence of acting under orders, the introduction of fixed-penalty notices, the ability to seize vehicles involved in waste offences, and the proposal to allow regulations to be made to require developers to prepare site waste-management plans all coincide with recommendations made in the two EAC reports.

I was interested to note that it is reported in *The Guardian* today that the Solicitor-General is turning her mind to addressing corporate environmental crime. I hope that she will be interested in our forthcoming report on that issue; she will not have to wait long. A constant theme of our inquiries into environmental crime has been the inadequacy of the criminal justice system in offering an effective deterrent. The likelihood of being caught is slim and when a prosecution does take place the penalties are often derisory. Nowhere is that more the case than in relation to corporate environmental crime. There is a need to ensure that whether a company commits a crime through negligence or does so deliberately as a means of avoiding costs or of promoting its products—as the Ministry of Sound has admitted to doing—the penalties that it faces really bite.

The Environmental Industries Commission told the EAC that

"underfunded and inconsistent enforcement, coupled with derisory fine levels by the courts, are undermining environmental policy objectives".

That cannot be allowed to continue. We may need to consider penalties other than company fines and to be more imaginative in devising penalties that bite. In any case, unless the polluter pays substantially more than the sum he profits from, there will continue to be no real deterrent or effective punishment.

One further area that needs to be addressed is the price to individuals of obtaining environmental justice. When public bodies are unable or unwilling to act, people are often left with no option but to go to court to obtain redress for environmental blight. In the vast majority of cases, that is no option at all, because legal action is prohibitively expensive. The Government have stated that they are committed to the principles of the Aarhus convention, which aims to ensure that people can access environmental justice whatever their means. I would be grateful if the Minister said what plans the Government have to deal with that issue.

Mr. Mark Francois (Rayleigh) (Con): Several of my constituents have suffered because of businesses close to where they live operating on the margins of the law—skip firms, car-crushing businesses and so on. My hon. Friend is right: people go to the law to seek redress, but find out that the law is weak. Sometimes, they are even intimidated by the businesses concerned. Does my hon. Friend agree—I hope that Minister does so, too—that we must do more about such matters, otherwise our constituents will be given a miserable time and the law will be mocked?

Mr. Ainsworth: My hon. Friend is exactly right. The sort of businesses to which he referred are I think described in his part of Essex as "well tasty". He

[Mr. Ainsworth]

mentioned intimidation, which is a serious problem in respect of environmental crime. Recently, there was a case in my constituency of somebody reporting fly-tipping who had investigated the pile of fly-tipped rubbish, found an address and notified the authorities. The authorities visited the person, but felt that they were unable to take the case forward because the lady from whom the rubbish had been collected was a single mother who lived by herself, and the people who had illegally dumped the rubbish lived about 150 yd up the road. Intimidation is a serious problem and one, incidentally, that is not addressed under the new Bill. I urge the Government to give it serious consideration.

The Clean Neighbourhoods and Environment Bill, and much of the existing legislation, is focused on crime and punishment and local environmental issues. No doubt much of today's debate will be focused on that, too. It is important, however, to remember that we need to do a great deal more to encourage a better understanding of the environment and our dependence on it. The hon. Member for Stoke-on-Trent, North knows that better than anyone, and I am delighted that she is chairing the current EAC Sub-Committee on environmental education. Only by a determined, consistent and imaginative effort to engage the public and policy makers in the importance of respecting the natural limits placed on us by the environment will we achieve a genuinely sustainable way of life. A society that respects its environment is a society that respects itself.

2.52 pm

Mrs. Helen Clark (Peterborough) (Lab): I am glad to have this opportunity to debate our Sub-Committee's reports because I was particularly keen that we should hold the inquiry on which the reports are based. In fact, I am sure that my colleagues will allow me to say that I promoted the theme in our discussions and made the suggestion. I have been worried for some time about the state of the local environment in my constituency, which is supposedly the "environment city".

Mr. Ainsworth: The hon. Lady is, of course, a distinguished member of the Environmental Audit Committee and is never ever anything less than provocative.

Mrs. Clark: I return the compliment.

Norman Baker (Lewes) (LD): It was not a compliment.

Mrs. Clark: Indeed, I am sure that it was.

However, I am still concerned about matters in my constituency. We members of the Environmental Audit Committee, its Sub-Committee or other Committees are only too well aware that constituents do not make appointments to see us at our regular surgeries to have ideological debates about local taxation or privatisation. They might write to us about such matters, but they turn up in person when their quality of life is threatened to the extent that day-to-day living is unbearable. All the examples that I shall now cite are real-life situations that have been reported to me by my Peterborough constituents and sometimes seen by me.

First, I refer to a street that was held to ransom by neighbours from hell who created 24-hours a day noise nuisance. However, the local authority only suggested so-called mediation, which made the victims feel guilty for complaining in the first place. The second example is of a street that was targeted by graffiti louts, but the culprits were never caught and their handiwork was not removed. Thirdly, an abandoned house became adrug taker's haven with empty syringes, used condoms, broken bottles and beer cans tossed into adjoining gardens. Fourthly, a fast food outlet left dustbinsof food debris on the streets and in the road, resultingin an infestation of rats in neighbouring houses and gardens. Fifthly, elderly people had to forgo a pleasurable evening bingo session at the local community centre because they would have had to cross a school playing field packed with intimidatory youths smoking, drinking and smashing bottles on the ground. Okay, such things do not make front-page national news in our favourite tabloids or broadsheets, but they have front-page importance for many whom we have the honour to represent. Our collective failure to deal with such issues breeds a lack of confidence in politicians and political systems.

Ms Julia Drown (South Swindon) (Lab): My hon. Friend may be interested in what my local council—Swindon borough council—is doing about graffiti. It is experimenting with offering householders the chance to clear up the graffiti on their houses for free, and that is being very well received. Does she agree that it would be good for the Government to examine that pilot scheme and ascertain whether it would be affordable to fund it across the country?

Mrs. Clark: I am grateful to my hon. Friend for that and I certainly agree with her. Will she contact me in the next couple of days? I should like to put my chief executive in contact with hers, so that we can work together. That sounds like a wonderful scheme.

I shall quote a comment that I often hear from my constituents, which I am sure hon. Members from all parties have heard: "I didn't bother to report it because nothing is ever done. What's the point?" How many times have we heard that one? The reports that we are considering today make various recommendations, but several issues stand out. First and foremost, we need consistent and firm action everywhere, rather than on a postcode basis.

Of course, during our inquiries we uncovered examples of fine practice. Prior to June 2004, Leeds city council made a most serious commitment to tackling environmental crime, using the full powers of legislation to include proper use of antisocial behaviour orders on environmental matters. The council fostered environmental pride with its strategy of clean streets, street leaders, graffiti busting, tough measures to combat fly-posting and even—I do not mean this lightly—a no-tolerance policy on discarded chewing gum and cigarette butts. On one occasion, the respected

hon. Member for East Surrey (Mr. Ainsworth) had rather an experience of the effects of chewing gum busting.

Mr. Ainsworth: I am sure that Leeds city council still has a very effective programme dealing with environmental degradation and antisocial behaviour. I can confirm that going on the wrong side of those machines that blast chewing gum off the pavement is a very unpleasant experience.

Mrs. Clark: It is indeed; the hon. Gentleman was well photographed.

Step forward also Southwark. We were terrified of the Southwark representatives at our inquiry. They justified their tough line on environmental crime on the grounds that such offenders were very likely to commit other types of crime as well. I am sad to say that we felt that those authorities were the exception rather than the rule.

In our report, we recommend that the Local Government Association should co-ordinate good practice, commending authorities that excel and exposing those reluctant to enforce. The Environment Agency is rightly rigorous in pursuing prosecution, even without a 100 per cent. assurance of success. We need consistency in sentencing. I go back to my point about postcoding: we need to educate magistrates so that everywhere the penalty fits the crime.

The penalty should also fit the perpetrator. For example, to fine a thriving record company with huge profit margins a derisory £500 for blatant fly-posting merely invites contempt—the snigger behind the hand. It is not a deterrent at all. Fines for individuals may not be the best or only way to correct offending behaviour. Some type of community reparation, including making good the damage caused and the use of antisocial behaviour orders for environmental crime, as in Leeds, may be equally effective and more productive. We need to see.

Central Government of whatever political colour must ensure that local authorities and the police have adequate and proper funding for these functions, but these bodies should be held accountable for the money and be able to demonstrate exactly how it has been used. The Government response to our reports—I address these comments to the Minister—was thoughtful and energetically welcomed our recommendations. I return the compliment, in part. The Government have done a lot across different Departments to deliver cleaner, safer and even greener communities. It is especially encouraging when we see how this work puts into practice the recognition of the links that exist between these different facets of policy and between local environmental quality and the wider quality of life, including crime reduction. It really is, to use a phrase so familiar to our tabloids and broadsheets, "joined-up government".

I am sure I am not the only person in this House who has used the phrase over the years, in various contexts and with, I have to say, various amounts of enthusiasm and conviction. I do not suppose I am the only Member to have made representations to the Government on behalf of a local or national interest group that was trying hard to pursue one aspect of stated Government policy, but finding their hands tied by another. The Select Committee has heard a huge amount of evidence over the years, making these sorts of points again and again, across a range of policy areas. That is our remit. I am happy to draw attention to the Government's very positive achievements on beaches, bathing water, litter, abandoned vehicles, recycling and home zones—initially, I have to say, a ten-minute Bill that I propelled—which are really beginning to deliver up and down the country the range of social and environmental benefits that we knew they could.

Our reports today explicitly acknowledge further improvements resulting from new legislation. One example is recommendation 9 of the sixth report—Government response page 5—which welcomed sections of the Anti-social Behaviour Act 2003, which has recently come into force and will assist prosecutors and sentencers in dealing more flexibly, and thus more effectively, with graffiti and fly-posting in particular. Another is in Government response page 6, paragraphs 19 and 20: the Powers of Criminal Courts (Sentencing) Act 2000, implemented early last year. It enables disqualification from driving for persons convicted of relevant offences, which can include fly-tipping.

The clean neighbourhoods consultation last year enabled many of the issues we had considered to be taken further. Again, this was especially true of fly-tipping and I am grateful to the Chairman for having mentioned it today. The new national database, Flycapture, will, I understand, make it easier to monitor the scale and type of activities in each area and where prosecutions are taken against offenders. Obviously, as colleagues have mentioned today, fine tuning is essential and we need to progress further on this.

In many places, the Government's response refers to changes that will be introduced at "the first legislative opportunity". I therefore join with colleagues from all sides of the House to welcome the new Clean Neighbourhoods and Environment Bill, which received its Second Reading on Monday. I have not yet had the opportunity to go through the Bill line by line, nor have I studied it in any detail. I do know, however, that it will give local authorities new powers to deal with fly-tipping and illegal dumping. It will be much easier for them to recover the cost of dealing with these problems. It will be easier to keep streets clean with an extension of litter controls. The Local Government Association has welcomed the Bill in general and I am happy to endorse its calls for adequate resources to enable authorities to make the best use of their powers. I agree that any changes to the law must be supported by properly resourced education and awareness campaigns to change behaviour.

Although there will always be persistent, determined and even enthusiastic offenders, most people in our constituencies will be happy to co-operate and take advantage of new opportunities when the benefits to the local environment become apparent. That is certainly the case with home zones. I invite any hon. Member present to come and see my home zone, of which local people are inordinately proud, but rightly so—it is their achievement.

However, to return to my fundamental concerns, which helped initiate and contribute—I hope—to this debate, it is essential that local government takes on board and uses the new powers. Local government can be the weakest link. In 1992, along with Leeds, Leicester

[Mrs. Clark]

and Middlesbrough, my constituency of Peterborough was awarded the title of "environment city"—one of John Major's projects and actually one that I support. There was a high level of environmental awareness in the city at that time, which was spearheaded by the then Labour council.

Peterborough Environment City Trust, or PECT, partially funded by the local authority, was created to promote good environmental practice in our city. Peterborough is the national headquarters of English Nature and the regional headquarters of the Environment Agency. We have an energy advice centre and a demonstration eco-house, opened by Prince Charles in 1996, which provides practical examples of energy efficiency in the home. UK Seed has established a base in the city with the aim of promoting environmental business, and the excellent wildlife trusts have encouraged the use of green spaces in urban areas. Railworld, which was recently in contact with my right hon. Friend, the Secretary of State for Environment, Food and Rural Affairs, has an ambitious youth project, and the green wheel cycling scheme, promoted by PECT, was successful in garnering a good amount of lottery money.

Recently, the Environment Agency dubbed Peterborough "the greenest city", because more people there than anywhere else filled in questionnaires, showing a high level of interest in topics across the environmental spectrum: CO_2 emissions, GM foods, Kyoto and George Bush, to name but several. On environmental crime and the very matters that concern my constituents daily, under the present council administration, Peterborough talks the talk but it does not walk the walk. Pardon the cliché. There are democratic ways in which local people can express their dissatisfaction about what their local council is or is not doing, and I hope that they will in Peterborough.

Meanwhile, what can be done to ensure that councils fulfil their responsibilities? In Peterborough, local people are forming independent environmental crime squads and action teams, taking photographs, making videos and trying to contact local newspapers and the media in a desperate attempt to provoke a reaction from those on high—the city council and the local police. Every weekend, those local people show me the latest horrors from all parts of the city. That is what I spend my weekend doing. Since last August, I have seen toilet cisterns in front gardens, urine-drenched mattresses at the back, syringes in children's playgrounds, overgrown bushes functioning as wonderful canopies for all kinds of litter, including cans, food and needles, alleyways used as outdoor toilets and places for unlimited sexual congress, windows smeared with broken eggs and graffiti, graffiti, graffiti. That is the story of everyday life in one of the four so-called "environment cities" in the United Kingdom.

What can be done, hon. Members? National Government should not take over what are properly local powers and responsibilities. There are proposals to reward councils that encourage better recycling. I agree with that and I hope that there will be more examples and suggestions, as in the Clean Neighbourhoods and Environment Bill, to encourage that. However—I address the Minister here—there should also be penalties for those councils and regimes, such as the one in my constituency of Peterborough, where administrations do not use their powers responsibly for the benefit of residents.

I would like the Government to revisit the excellent title of "environment city". Why should the Government ignore that because it was a good idea introduced by a Conservative Prime Minister? It is one of the things that he did well and we could use the idea and progress environmentally. I would like the Government to retest for the award, as we do with Investors in People, on a three-yearly basis to see whether it is still merited. That would banish complacency and keep environmental awareness at the front of the minds of lazy authorities. It would keep their practice on its toes.

Whatever happens, I certainly hope that in a couple of years' time I shall not still be walking the streets in Peterborough being shown rats, litter, graffiti, fly-posting and dumping by rightly enraged residents whose quality of life is being undermined. Their lives are being made a misery by the sort of filth that was seen in the 19th century—we are talking about Victorian standards and values—and that has returned to our streets. We should remember that it was a Conservative Prime Minister, Benjamin Disraeli, who introduced the concept of public health and action on that front. [HON. MEMBERS: "Hear, hear."] Yes, that is important and it should be acknowledged. I am proud to acknowledge it today.

Local government was set up in response to such public need and it has a proud record. The Labour Government are backing it in the campaign to preserve and restore the quality of life in our local communities. I hope that everyone concerned gets on with the job. Time may have been wasted, but fresh starts are never too late. I hope that in the fullness of time the reports that we are debating will be seen to have influenced Government thinking and local authority practice for the better everywhere in the country.

3.13 pm

Mr. Colin Challen (Morley and Rothwell) (Lab): I welcome you to the Chair, Mr. Deputy Speaker. Any comments that I may make about magistrates should not be taken as in any way diminishing the great regard that I have for the job that they do—largely unpaid.

It is a pleasure to follow the hon. Member for East Surrey (Mr. Ainsworth), who chairs the Select Committee with great dedication. We know that when we walk through the door into the Committee Room that partisan divisions will be left outside and that we will simply focus hard on the environment. That is so important. He has brought that bipartisan spirit here this afternoon with his extensive welcome for the Clean Neighbourhoods and Environment Bill. I am sure that his previous experience as a Whip will ensure that he is not too heavily punished for that welcome, which was not accorded to the Bill by his party on Monday. I also welcome my hon. Friend the Minister for the Environment and Agri-environment. When he appears before the Committee, he is usually one of our star witnesses.

I refer the Minister to the evidence on the ease with which fines for fisheries offences can be evaded, which was supplied to the Committee's environmental crime

and the courts inquiry by the Home Office. That issue may be slightly tangential to the main debate but, knowing of my hon. Friend's extensive knowledge of the subject, I think it worth while to seek his response.

The evidence is astonishing. According to the Home Office, in just one magistrates court area—Dyfed-Powys—more than £3 million of fines for fishery offences were issued against Anglo-Spanish trawlers, as they are known, between January 2002 and November 2003, but they have not been collected due to loopholes in the law and the ineffectiveness of European legislation.

I wonder how many fines nationally have been evaded in like manner through the simple scam of companies using accommodation addresses, and whether that approach is replicated in other industrial sectors. It is no wonder that British fishermen feel aggrieved when they see how easy it is for Spanish trawlers to flout the law and to cock a snook at British courts. Will my hon. Friend assure me that that form of environmental crime—that is what it is—will no longer be tolerated and that punishments will be meted out effectively? What is being done to pursue the outstanding fines?

We were notified of the fines because of their exceptional size. The vast majority of fines for environmental crimes are peanuts by comparison, but there is a need to ensure that there is clearer guidance to the courts about the seriousness of environmental crime. I suspect that the fines and penalties imposed rarely meet the costs of cleaning up the damage. The £4 million fine imposed on the Milford Haven port authority after the Sea Empress disaster was subsequently reduced to £750,000 on appeal. There are shades of the Exxon Valdez disaster in that. After well over a decade, ExxonMobil is still appealing against the penalties that were imposed on it.

Environmental crime is not recognised by many offenders as even being a crime, still less an environmental one. How prevalent is the attitude that the environment is simply there to give up its resources and to become a dumping ground afterwards? After all, it is not that long ago that we all accepted, or at least rarely questioned, the presence of slag heaps or the dumping of raw sewage at sea. Today, the Irish still complain of the dangerous impact of radioactive waste from Sellafield in the Irish sea. We are not yet living in the enlightened era that we would like to live in as regards the environment. As the dumping of millions of tonnes of carbon in the atmosphere every year is considered not an offence but, possibly, a tradable commodity, we are still struggling with a sustainable concept of environmental crime.

In that context, the archetypal man in a white van who has a little pile of asbestos to dispose of will not be too concerned with the border lines between environmental crime and what is simply environmental degradation. What is environmentally acceptable? I wonder how many people still consider environmental crime a lesser species of crime, very much the Cinderella of crime, which we should not get too het up about.

I heard in the Clean Neighbourhoods and Environment Bill Second Reading debate on Monday that it costs £150 million annually to clean chewing gum off our pavements. When the Committee visited Leeds, we saw the rather expensive and destructive technology that is required to remove chewing gum from pavements.

Ms Drown: Does my hon. Friend share my concern that there is still a lack of clarity over the definition of litter, and that chewing gum is often not included in it? I understand that there is a consultation on the matter. Does he agree that it should be made absolutely clear that chewing gum is litter?

Mr. Challen: I absolutely agree. That gap should be plugged as soon as possible. As a form of litter, chewing gum is probably worse than a bit of paper or even a fag butt. The Sub-Committee learned on its visit to Leeds that offences for dropping fag butts have been taken to court and fines have been issued, and that Leeds city council gives out little containers in which one can stub out cigarettes. I cannot understand why chewing gum manufacturers do not provide some little plastic container, so that one could dispose of gum safely. I think that a lot of people would take to using such devices if they were offered them every time they bought chewing gum.

Ms Drown: Has my hon. Friend considered on-the-spot fines for dropping chewing gum and litter, as well as fixed penalties? My borough council has raised with me its wish for such fines to be introduced. Also, given the stretch in police resources, it thinks that it would be good if there were pressure on the police to make a priority of such issues sometimes. During a particular event, local borough council officers could be out with the police. That way, someone trying to give a fixed penalty notice would have the police to back them up if a person refused to give their name and address and so on. Does my hon. Friend accept that, although the police cannot be there all the time for such matters, it would be good to have such co-ordination at events sometimes?

Mr. Challen: Absolutely. It would help if there were one or two high-profile cases, such as that of the smoker who dropped a fag butt in the street and got fined. That got quite a large headline in my local newspaper. If the same treatment were meted out to someone dropping chewing gum—obviously, we would have to catch them in the act—it would have a great impact. It is not so much the size of the fine that has an impact, although in the case of the cigarette smoker it was £75; that seems quite a lot given that no one thought it was an offence in the first place. It is more the headline and the photograph of the person in the newspaper—the name and shame aspect—that has the shock effect.

Mr. Peter Ainsworth: I hesitate to break the consensus that the hon. Gentleman talked about so eloquently at the beginning of his remarks, but, speaking as a victim of the chewing gum blasting machine in Leeds, are there not two problems? One is that people usually dispose of their chewing gum in a pretty surreptitious manner, so it is very hard to notice them doing it. The other, which has been drawn to my attention by Westminster city council, which, as the hon. Gentleman will recall, gave evidence to us, is that if chewing gum were defined as litter, the council would have a duty to remove it.

[Mr. Peter Ainsworth]

Westminster already spends a fortune removing chewing gum from its pavements but, if every council in the land had a duty in law to remove it, that would send costs skyrocketing. In Leeds, we heard about the idea of giving people a little thing to put their cigarette butt in, and that is a better way of approaching the chewing gum issue than legislation.

Mr. Challen: The hon. Gentleman certainly raises a serious objection to placing a duty on people, but perhaps we could do so in certain designated areas, where the issue is a real problem. Some streets seem to attract a lot more chewing gum than others, so in some cases the duty would not entail much work. There is also a producer responsibility on the manufacturers; they should think about the problem and not wriggle out of it. That is one issue on which a difference arose between Front Benchers on Monday. I am not sure that it is a huge difference; it is certainly not a reason to vote against the Clean Neighbourhoods and Environment Bill, and I cannot really make the link with that legislation.

It is clear that all those relatively small things lead to a great waste of resources. There are many better ways in which taxpayers' money could be spent. I am sure that the many people who toss their chewing gum to the ground complain to their friends and family about the level of council tax, without making the link to the fact that they could save money or have better services in other areas if they amended their behaviour slightly.

The cost of environmental crimes has been estimated by DEFRA at £3.4 billion a year. I was therefore astonished to read the evidence from the UK Environmental Law Association. In response to our question,

"Are the scale and nature of sentences for environmental crimes commensurate with the seriousness of the crimes themselves?",

the association said:

"The data on environmental sentences is insufficient to answer this question fully as there is no centralised data and it is not gathered in a systematic way."

However, it went on to say that it has been found that

"in general the level of fines were much lower than the maximums set down (averaging £2,730 in magistrates' courts in 2002 with the maximum fine generally permitted being around £20,000) . . . This would indicate that insufficient discretion is being used in imposing deterrent fines which could lead to greater environmental protection."

That picture of an absence of deterrent is compounded by evidence from the Environmental Services Association:

"In 2002, the Environment Agency secured slightly less than four convictions a week (in a context where it has since its establishment spent about £5 billion of public money), with most of those prosecuted by the Agency being acquitted. We understand that of 462 prosecutions in 2002 only 207, or 45 per cent., resulted in a conviction. The total level of fines imposed was less than half of 1 per cent. of the Agency's estimated annual cost of fly-tipping."

The agency reckons that fly-tipping costs us about £100 million a year, but the level of fines amounts to less than £500,000 a year. Given that the ESA thinks that the magistrates already have sufficient powers, it seems that they are not choosing to use them to the full and are too lenient with offenders.

It must be bad enough for agency staff to wonder whether they will secure a conviction, but it must be galling to know that, even when they do, the guilty will be treated with kid gloves. The impact of those crimes must be studied more carefully by the courts and much stronger guidance must be given.

Mr. Peter Ainsworth: The hon. Gentleman will recall that the Department for Constitutional Affairs told us that only 55 per cent. of those fines are collected anyway.

Mr. Challen: I am afraid that my arithmetic stopped early on in life. I am just trying to calculate how much that would be—55 per cent. of £500,000 is about £250,000. If the offence costs the country £100 million, the point about leniency seems extremely well made.

Miss Anne McIntosh (Vale of York) (Con): I hesitate to interrupt the hon. Gentleman's eloquent flow. He will have seen the regulatory impact assessment on the Clean Neighbourhoods and Environment Bill. It says that a 50 per cent. take-up of fines, which I am sure he would accept is quite low, would yield annually to all the councils in England and Wales a total of only £3 million. The point is well made in the Committee's report that the fines are set too low and frequently are not paid. That really runs a cart and horses through the report because, if the fines are not paid, the Government will not have the budget to implement the powers and duties under the Bill.

Mr. Challen: I shall dwell on resources because some of our evidence related to the matter. Without those, it is difficult to see how we can chase people and ensure that fines are recouped for the community, so that it can have more resources available to it. One of the reasons that I support the Clean Neighbourhoods and Environment Bill is that it includes measures to extend the regime of spot penalties to provide an incentive for councils to collect the money in order to generate funds. I see nothing wrong with that, and I shall return to that subject shortly.

I acknowledge that the Government have recognised the problem of leniency. The Proceeds of Crime Act 2002 allows for the proceeds of criminal activity to be confiscated. I am not suggesting that we are going to start chasing people for packets of chewing gum—potential crimes in the making—but the Government's response to our recommendation 6 acknowledged that the low level of fines is unsatisfactory.

The Government are aware of the problem, and I welcome their generally positive response to the report's recommendations, but the overarching case-by-case approach of the courts when dealing with such crimes should be addressed. That seems to be a fall-back position: "We cannot interfere with the courts too much. We have a case-by-case approach." We need to consider the implications of that.

Norman Baker: I served in the Committee that considered the Proceeds of Crime Bill. I wonder whether the hon. Gentleman would agree that where a particularly serious environmental crime is carried out for profit—for instance, big business collecting asbestos and disposing of it regularly on farmland—the 2002 Act should be used.

Mr. Challen: I certainly hope so. The Committee has recently inquired into the matter of corporate environmental crime, and the report has not yet been published. We have had the opportunity to ask a number of people from the corporate sector whether they think that lifestyle penalties could be imposed, so that people know that the penalty for bigger crimes will not be some measly fine in a magistrates court, but something that could really impact on their lifestyle.

The courts are statutorily bound to consider the defendant's means to pay any fine, but they should have greater regard to the principle that the polluter pays, and reparations for damages—after a full costing—should be sourced in every way possible, including community service.

Resources have been mentioned. The discussion about whether tackling environmental crime is sufficiently resourced has occupied the Committee's time. It also featured in the debate on the Clean Neighbourhoods and Environment Bill. In respect of that, I would like there to be an extension of the principle of hypothecation, which is permitted in the Bill, so that money raised from fines or penalties is used to deal with the problem. We need to make more use of expensive mini-CCTV technology to monitor known fly-tipping sites, but where councils get the money for sufficient numbers of mini-cameras is always a problem. There are usually waiting lists for using them. There are a few fly-tipping sites in my constituency, and it is obvious to me that 99 per cent. of fly-tipping will continue unless we can secure more prosecutions by obtaining good evidence on offenders. Currently, fly-tippers know that they are almost immune from prosecution as a result of lack of evidence.

Money raised through the courts should also be used to fund rewards, where information passed on by the public leads to a conviction. That happens now, but so far as I am aware it is not common. The public should be encouraged to become more involved in helping to deal with these sorts of crimes. I would like more of a Crimestoppers-style approach to be applied to environmental crime.

Mr. Peter Ainsworth: The hon. Gentleman may be interested to know that Tandridge district council in my constituency already gives a £500 reward to people who provide information that leads to a successful prosecution for fly-tipping. The problem is that there are very few prosecutions for fly-tipping. That is not because people are not keen to get the £500. What that reward reveals is the huge difficulties that are involved in successfully taking prosecutions through the courts.

Mr. Challen: I do not disagree with that at all. A constituent of mine wrote to me last week about a case. Someone was paid a reward for reporting someone else who dropped some litter but, although the offence was proven, the offender was only told off—they were not even fined. We must have a better approach than that.

Mr. Ainsworth: I have some better news from the area covered by Reigate and Banstead borough council. This week, a press release was issued that stated that a crisp packet was dropped from a van on the A217 Tadworth roundabout on Monday 6 December at 4.20 pm, and that Councillor Circus, who happens to be the portfolio holder for the environment, was in the car behind. The identity of the owner of the vehicle was established—he lived in Basingstoke, which is a considerable distance away—and he was fined £50. Therefore, the system sometimes works.

Mr. Challen: I thought that the hon. Gentleman was about to say that the offender was the chief constable of the county. However, that is cheering news, and it leads me on to the Select Committee's report on fly-tipping. As I participated in the Second Reading debate on the Clean Neighbourhoods and Environment Bill on Monday, I know how welcome that Bill is in addressing many of the Committee's concerns—although, oddly, the Conservative party was unable to support it. However, in keeping with the spirit of consensus that rules in the Committee, I will not dwell on that any longer.

The Government have paid attention to the Committee's concerns. That is a testament to the strength of the Select Committee system—occasionally. The report and the Government's response, including the Clean Neighbourhoods and Environment Bill, should lead us to one conclusion: fly-tipping, graffiti, abandoned vehicles, littering, noise pollution, and so forth should be met with zero tolerance. I know that that phrase sometimes conjures up authoritarian overtones, but why should people have to live with the degradation of their local environment merely because a number of others could not give a damn about it? I welcomed the extension of fixed penalty notices in Monday's debate and I do so again. I hope such notices will encourage local authorities to take more action.

The money raised should be ploughed into the fight against antisocial behaviour and not used as just another revenue stream. I think that all of us would be disappointed if the money were not hypothecated, since it would no doubt mean a rerun of the debate about speed cameras. The effect of that debate is to remove the focus on safer driving and shift it to whether police forces are trying to grab more money. Such a cynical view always helps those who would rather carry on business as usual and persist with their antisocial behaviour.

Mr. Drew: I do not want to use the exact analogy that my hon. Friend used, although it is a possible one. In my area, there is a particular problem. My local authority has one policy with regard to the collection of large household items. The neighbouring authority has a different policy. That results in one authority picking up a large bill that it blames on the other authority. I know that there is an attempt in the Clean Neighbourhoods and Environment Bill to seek greater co-ordination. Does my hon. Friend agree that that area is one in which local government does not always sing from the same song sheet and that that needs to be changed?

Mr. Challen: My hon. Friend touches on an important point that I hope the Government will address. In my constituency, there is no household disposal site. In the neighbouring authority, Kirklees, which is just a couple of miles down the road, there is. Kirklees council has introduced a policy of preventing anybody who is not a council tax payer in its area from using that site. It was the obvious place to go to for those

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who lived in Morley. We seem to have a sort of passport system. Local authorities are so keen to preserve their resources that they will not allow anyone else to use them. They should be prevented from doing that. We do not prevent hundreds of children from Kirklees from coming across the border to use our schools, which are a bit better than theirs. They cannot see the irony of that situation.

In the debate on the Second Reading of the Clean Neighbourhoods and Environment Bill, I referred to evidence supplied to the Environmental Audit Committee by Leeds city council, which, until June 2004, was under the enlightened management of the Labour party. The submission from Leeds city council makes it clear what extra resources, which could partly come from fixed penalty notices, could pay for. It says that it could work more effectively with organisations such as ENCAMS to raise public awareness.

The issue of environmental decay has been raised this afternoon. To tell people about the cost of littering and other environmental crime, the council could improve the training of its staff, enabling a greater proportion of staff who work on the streets to tackle a wider range of environmental crime. It could enable better use of technology to collect and to share information, both in the council and with its partners. It could employ more staff. At the moment, it has only 13 dedicated environmental enforcement officers. In a city of 750,000, we could do with a few more. It could undertake more surveillance operations to tackle graffiti and so on. Importantly, it could provide small grants to community groups for organised community clean-ups. Those can have a major impact on the local environment, as they help to tackle the causes of the problem as well as the symptoms. Those are positive proposals that could make a considerable impact.

In the Environmental Audit Committee, we heard about how stretched Environment Agency enforcement staff are in tracking fly-tippers. That is labour-intensive and Environment Agency and local authority staff could be greatly assisted by more technology. I referred earlier to mini-CCTV cameras at known or potential fly-tipping sites to gather better evidence.

If fly-tippers were caught on camera, what fly-tipper would come out with the argument that it was wrong and expect the public to support such an argument, as speeding drivers do? At the moment, speeding drivers seem to be supported by the Automobile Association and the Royal Automobile Club. The apologists for cameras get away with too much.

The National Farmers Union, whose members' land is often the target for fly-tipping, told us what the cost to them can be to clean up afterwards. In Hertfordshire, the cost of removing 500 tonnes of waste was £4,600. In Essex, five seven-tonne lorry loads of tyres were dumped, with a removal cost of 75p a tyre.

The NFU is concerned, rightly, that such dumping will increase as the legitimate method of disposal. That will mean that people will have to pay increased landfill tax. As the hon. Member for East Surrey pointed out, that could lead to a growth in illegal dumping—it could almost become a business in itself.

Our report recalls that, on Environment Agency figures, fly-tipping between 2001 and 2003 rose by an astonishing 43 per cent. One fifth of the waste comes from construction and demolition work. There is a clear need, as we see more demand for housing, to educate not just builders, but the people who employ them about the proper disposal of waste. We saw at first hand, on our visit to Leeds, a fly-tipping site in the heart of the city. What appeared to be the entire contents of a house, which was probably being refurbished, were dumped next door to a residential area. I wonder whether that kind of fly-tipping is a particular problem created in the rented and houses in multiple occupation sectors. If it is, landlords who try to cut corners should be a particular target for local authority attention.

In that overall context, recommendation 16 of the fly-tipping report, as I call it, which calls for greater resources, is important, albeit the recommendation focuses only on the Environment Agency's needs. The Government should be congratulated on increasing the agency's funding by around 37 per cent. since 1999 but, given the extra demands that the agency will have to meet in the near future—I am thinking in particular of flood prevention—I wonder whether issues such as fly-tipping are in danger of being squeezed. I feel confident, however, that our report and the Clean Neighbourhoods and Environment Bill will ensure that that will not happen.

3.42 pm

Ms Joan Walley (Stoke-on-Trent, North) (Lab): It gives me great pleasure to follow the previous speakers, the members of the Sub-Committee of the Environmental Audit Committee who have done all the donkey work on this report, which was approved by the main Committee.

While I have the opportunity, I would like to congratulate the Chairman of the Committee, who plays a very committed part in its work. I single him out from other members of his party, because, like many people here, I sat through the Second Reading of the Clean Neighbourhoods and Environment Bill on Monday and looked, mostly in vain, for other Conservative Back Benchers. I know that the hon. Gentleman's commitment to the environment is not necessarily shared by everybody in his party.

Let us not forget that not only are you, Mr. Deputy Speaker, a member of the Select Committee; our distinguished Minister is a member, too. The way in which the Committee's work pre-empted some, or even much, of the work that subsequently became the Bill presented to Parliament on Monday, shows the relationship that is now developing, in which very detailed work is done in Select Committees. The interplay between their work and that of the other bodies that care informs the drafting of legislation. It is important that our work in this Committee, of which I am vice-chair, has a role that cuts across all Departments.

Our role is to press the Government. I seem to remember that when my right hon. Friend the Deputy Prime Minister set up the Committee, he said that its role would be that of a ball chasing the Government. If we are really to influence the Government, we need to make sure that all Departments can work together, as

team players, to do their bit, knowing what part they have to play and what contribution they have to make, so that they can go away and do it.

Perhaps this debate will give the Minister more ammunition if he goes to the Treasury to say that more funding is needed, or to the Home Office to ask why more local police have not taken advantage of the Anti-social Behaviour Act 2003 and used the new powers to tackle environmental crime as well.

Debates such as this are useful because we are putting pressure on the Minister to ensure that other Departments deliver, too. Environment crime needs to be considered in the round, otherwise we will not be successful in dealing with it, so we want to put that at the top of the agenda. Although I was not a member of the Sub-Committee, as a member of the main Committee I think that this is an important report. The considered contributions that we have heard so far vouch for that.

More than anything else, our Government are about transforming communities, regeneration and solving problems. As a constituency MP, which is the experience that I bring to the House, I think that if we in our constituencies cannot deal with issues that affect people locally, we cannot have any credibility in dealing with national or international issues. I was instrumental in getting a pilot project for a police priority area set up in a part of my constituency where there were huge problems with drugs and other aspects of crime, which were almost impossible to deal with. Once we received the funding from the Home Office and were able to deal with some of the bigger problems, the agenda shifted to what the report calls low-level environmental crime. It quickly became clear that that needed to be seen in the context of the wider Home Office agenda.

Once people started to deal with some of the problems of drug dealing, they soon began to say, "What about the dumped mattresses and television sets? Every time I go outside my front door there is rubbish ankle-deep in the gutters and on the streets." At that point they need a team of neighbourhood wardens, not just the police. It quickly becomes clear that we are talking about ways to engage the whole community and the institutions that serve and represent them in dealing, together, with low-level environmental crime. To people on the ground those issues are not a low priority; they are, as my hon. Friend the Member for Peterborough (Mrs. Clark) said, the highest possible priority, which is why it is so important that we deal with the problems and why the two reports will help the Government.

The response to the report from my right hon. Friend the Minister for Rural Affairs and Local Environmental Quality was a breath of fresh air, particularly on issues such as fly-tipping. It seemed as though we had done the hard work and the Government were ready to legislate, were already consulting and were able to make swift progress.

Ms Drown: The report says that it is vital for local authorities to take the lead in the fight against fly-tipping. Are there recommendations about budgets? If local authorities were to take some work away from the Environment Agency there could be an argument about whether budgets should be moved. Does my hon. Friend agree that we need to get more money to local authorities so that they can do more to tackle the problem, albeit that some of the money should come from the imposition of higher fines for fly-tipping? Does she agree that there is a problem of resources for tackling fly-tipping?

Ms Walley: I am grateful for that intervention, because my hon. Friend has identified an ongoing issue that the Minister should address in his reply. We are dealing with the cost of fly-tipping. We can look at it from many perspectives, but we need to consider the financial and environmental costs. We need a framework to enable us to look at how to mix the costs of dealing with the issue.

One point that I want to get across in my brief contribution today is that we cannot separate costs and enforcement from the wider agenda. If DEFRA is to take on board the recommendations of our two reports, it must look at the whole picture. It is best placed to do that.

In reply to my hon. Friend's intervention, if the Government are confident that all European directives and the regulations that come from them are properly enforced, in accordance with a timetable, we must consider the recycling element and avoid the problems that we have had—for example, the fridge mountain—in respect of any future regulations. We must also deal with the end-of-life vehicles directive and the waste electrical and electronic equipment directive. At each stage of implementation we must have in place whatever is needed: licensed sites, the means of disposal and a duty of care. There will be a cost to the Environment Agency for dealing with that.

If, somehow, we enable local authorities, with the Environment Agency and the police, to do that competently and efficiently through the powers that we give them, that will change the balance and we will be looking at a different cost. The cost will be different if, as part of the equation, we ensure that every local authority in the country is enthusiastic about recycling and is meeting its targets. The cost will be different if we can, as my hon. Friend the Member for Morley and Rothwell (Mr. Challen) said, develop a zero tolerance culture whereby no one tolerates dumping and fly-tipping and everyone has the responsibility to do whatever is necessary to deal with waste. At the moment, a local authority may have to spend a wholly disproportionate amount of money on clearing up—the end-of-pipe-solution to dealing with litter and fly-tipping. Somehow, we must shift the balance through education, best practice and design, so that the money that is already being spent is used to prevent fly-tipping.

Mr. Peter Ainsworth: I am following the hon. Lady's argument with great interest. Clearly, if the measures that the Government are putting in place on top of existing measures work, the cost will fall because there will not be as much of a problem to deal with. It strikes me that if we eventually move closer to a zero waste environment, there will not be anything to dump.

Ms Walley: Let us hope that that day comes quickly.

The point that I really want to make is that if we want to change the way in which we deal with waste, and if we want to end the culture in which people think that it is

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all right to drop litter and to fly-tip because they can get away with it as there will be no enforcement, we need some transitional arrangements, and with that comes a need for transitional funding. I become a little uncomfortable when Governments invite bids and some are successful and some are not. It is necessary, perhaps through the work that DEFRA does with the Treasury, to look at public service agreements and to concentrate much more on targets. We could then consider extra transitional funding for local authorities to enable them to change how they operate services, moving away from cleaning up and using the money more constructively for prevention and—I shall come to this later—education. It is important to send that message out clearly.

If we are to deal with some of these issues, we need to look at how the environmental crime agenda links to the Department of Trade and Industry. We all know that there is a problem with asbestos removal, for example—I cannot remember which Member mentioned asbestos earlier—because it is a hazardous material and has to be removed safely. If we have licensed processes that can deal with that effectively, then the quicker we can have them in place, the more likely we are to have proper disposal. We are also more likely to find producers fulfilling a duty of care rather than people thinking that they have got to dump material at midnight when no one is looking, so scarring the landscape.

With regulation there will always come huge opportunities for business, which can contribute to the country's improved economic efficiency. For example, as well as new ways of tackling this low-level crime, there could be blue-sky thinking about linking those processes to the way in which new businesses will, hopefully, be set up. I hope that DEFRA could play a leading role in that.

Given that when we talk about the environment it is always about what needs to be done internationally, nationally and locally, I do not think that I can avoid a brief mention of the scale of the problem in my constituency. I had an opportunity to speak briefly in the Second Reading debate on Monday, when I mentioned my hopes that Stoke-on-Trent city council could be the subject of a pilot project with the Environment Agency. It would look how we could involve the magistrates, the police, the local authority, neighbourhood wardens, residents associations and educational establishments in having a really big spring clean-up, getting everybody engaged while making sure that we had proper enforcement by the magistrates. This is not a criticism of magistrates, Mr. Deputy Speaker, but perhaps we could have more environmental awareness among magistrates. Perhaps you might like to initiate that. If the Minister could get back to me in due course, giving some indication whether my suggestion could be a proposal from Stoke-on-Trent city council, I would be grateful.

One of the other issues flagged up in our report is that of abandoned vehicles. I have some figures from Staffordshire which may be of interest in this debate, if only to show the scale of the problem. From April 2003 to March 2004, 2,640 cases of abandoned vehicles in Stoke-on-Trent were reported to the police. The figure for the whole of Staffordshire was 7,845. The number reported to the local authority was 2,000. The number removed by police in Stoke-on-Trent was 349. The number removed by the local authority was 500. So we are talking in the region of 800 abandoned vehicles dealt with, as opposed to 2,640 reported. The number set on fire was 295.

If one looks at the cost of all of that—we were talking about funding just now—one finds that Staffordshire fire service is having to spend £2.6 million a year dealing with abandoned vehicles that have been set alight. I know that because my constituency has a site of special scientific interest. Hardly a weekend goes by when there is not a car abandoned on the SSSI and set alight. Apart from anything else, it is polluting the nature reserve. As an aside, I would like to see far more commitment to ensuring that that we protect and conserve SSSIs.

If one thinks about how the £2.6 million spent by Staffordshire fire service last year could be better spent dealing with life-threatening events and fire safety assessment, it becomes clear that whatever the costs of dealing with environmental crime are, we are already paying them. We must therefore act innovatively, and in a way that cuts across Government. We must also act at local level, as we have to team up nationally and locally to ensure that we do not spend money in that wasteful way. If for no other reason, we must do something about environmental crime.

The Staffordshire fire service told me that it costs £55 to remove each abandoned vehicle. I must commend the Home Office on the abandoned vehicles initiative. I badgered the Driver and Vehicle Licensing Agency, which is based in Swansea, to send representatives to my constituency last year. They came, bringing special equipment and machinery, and I set up a road safety initiative, along with the local authority. We got quite a few vehicles and dealt with them. The powers that the Government are now introducing to enable abandoned vehicles to be dealt with in seven days, as opposed to the long-winded procedure that applies at the moment, are most welcome. It would be even better if we could reach a situation where vehicles are not being dumped or abandoned.

That, too, takes us back to the European legislation, to the end-of-life vehicles directive and to the way in which we recycle, or deal with, things when they come to the end of their life. It takes us back to the question of responsibility, which applies as much to chewing gum as to televisions and all the technology that so quickly becomes redundant as new models outdo the others. Producer liability and responsibility is important, and it must be seen as part and parcel of all this.

I am conscious of time so I will just return to the issues that I wanted to flag up. As I said on Monday, people can legislate until the cows come home, introducing new powers for local authorities. However, those authorities need to be retrained, from their chief executive or council manager down to the elected members and residents associations. If we do not all get together and communicate, how will we solve this problem? What can we do about it? Our legislation will not have the impact on local communities that we want it to have.

My message to the Minister, as chair of the Sub-Committee on Education for Sustainable Development, is that we want to see leadership from DEFRA on education and communication. That needs to go right the way across business. We need major

companies—whether it is Michelin in Stoke-on-Trent or other leading companies throughout England and Scotland—the Government and industry in general to show us how they will communicate a powerful message.

We need to replace the money that came from ENCAMS for education on sustainable development projects and initiatives. We need the Department for Education and Skills to single out education for sustainable development in the way that it does, for example, for sport. We need to build on the commitment to the environment of our young people in primary schools. If we do not do those things, what we are saying here will fall on deaf ears.

I do not question the Minister's leadership, but my message to him, more than anything else, is that we need more leadership from DEFRA to ensure education at every level, whether it is educating senior Whitehall officials or providing for more thorough education locally using, for example, technical qualifications. We face the major challenge of educating people for sustainable development.

The recommendations from these reports are very good, and the Government are proceeding with them in legislation in an excellent way. We are backing that. We understand our role as global citizens. People need to be aware of all these issues. I hope that our short debate will empower the Minister strongly to communicate that message to other Departments.

4.5 pm

Norman Baker (Lewes) (LD): My hon. Friend the Member for Guildford (Sue Doughty) is unable to be with us today. We are doing a job swap this week: she covered the Second Reading of the Clean Neighbourhoods and Environment Bill and I am covering for her in this Chamber this afternoon.

It is good to be reconnected with the Environmental Audit Committee, on which I served for some time. I was delighted to serve under the chairmanship of the hon. Member for Orpington (Mr. Horam), the predecessor of the hon. Member for East Surrey (Mr. Ainsworth). It is good to see that the Committee is continuing to undertake important work in a highly competent and relevant manner. It is also good to be reconnected with some of my colleagues from those days, particularly the hon. Member for Stoke-on-Trent, North (Ms Walley).

The Environmental Audit Committee was set up by this Government during their early days, and it has been a very useful innovation. The idea of treating the environment cross-departmentally is, as other Members have said, absolutely essential, whatever the item of business. Earlier today I was considering the marine environment and I realised that that requires the Department for Environment, Food and Rural Affairs, the Department of Trade and Industry, the Office of the Deputy Prime Minister, the Department for Transport and others to work together. We need that cross-departmental approach and I congratulate the Government on setting up the Committee, even if in other respects their early radical inclinations have given way to cold feet in recent years.

Mrs. Clark: As a current member of the Environmental Audit Committee who has served with the hon. Gentleman, I welcome his complimentary comments about the Committee. However, he threw cold water over those comments by saying that we had got cold feet. Will he give examples of our freezing feet, cold feet or need for central heating?

Norman Baker: Either I expressed myself badly or the hon. Lady misunderstood me. I do not believe that the Committee has got cold feet at all; I am happy to endorse its work. I was referring not to the Committee's cold feet, but to the Government's—in the general sense of their approach to their business, and not only environmental business.

I turn to the scale of the problem of environmental crime, which the Committee has been dealing with. Many people have the impression that such crime is not terribly important, does not matter much and is all low level—someone chucking away a piece of chewing gum or dropping a piece of litter. Are we serious in saying that that needs to be dealt with? Members who have spoken, including the hon. Member for Peterborough (Mrs. Clark), are right to say that one person's litter is someone else's nuisance on the doorstep. The quality of life in a community can suffer greatly if it is badly affected by litter and graffiti. The problem can even become intimidating. It is also true—I do not know whether Home Office statistics show this; I suspect that they do—that an area suffering from environmental crime probably has a high degree of other crime.

It is not simply a matter of one person dropping a piece of litter. Fly-tipping sounds small-scale and innocuous, but it does not simply involve one person who is too lazy to go to the household waste site with grass cuttings from their back garden; it is big business. People set up companies offering a service to customers who want to behave legitimately. They then take a lot of money off those customers and pretend that they will dispose of the waste properly. However, they simply dump it in the first available field, and everything is pure profit. Criminals are involved in fly-tipping and that is a serious matter for all of us.

Mr. Peter Ainsworth: The hon. Gentleman is entirely right. He may be interested to know that in our report on fly-tipping we mention that the Environment Agency stressed its frustration with the use of the term "fly-tipping" by the general public and the Government. It considers that the term disguises the gravity of the offence and prefers the phrase "the illegal dumping of waste".

Norman Baker: I entirely agree. Language is important in this matter as in all others.

Fly-tipping is big business and I fear that it is going to increase because the Government have increased landfill tax. The Government are right in discouraging landfill, which is the worst option for waste disposal. However, the consequence is that the gap between the proper figure to be paid and zero, which is what it costs to dump in a field, is becoming ever wider. As the hon. Member for Stoke-on-Trent, North said, we need to ensure that a proper system is in place in order to educate. We also need to get the community to co-operate and report

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such crimes more than at the moment, and ensure that those who perpetrate the crimes are caught, properly prosecuted and fined according to their means. That chain does not exist, and that is why changes must be made.

Hazardous waste is pernicious and if dumped in the countryside it is potentially far more serious than odd bits of organic waste, litter or anything else. Hazardous waste can be dangerous to human and animal health, and it can pollute watercourses and so on. That is why it is important to deal with the problem. The Minister is familiar with the ban on co-disposal. It came in on 16 July, and we have been examining whether it will present a problem. The Government say that co-disposal has not subsequently presented a problem. I hope that they are right, but I fear that they may be somewhat complacent. Some places where hazardous waste has been dumped illegally may not yet have become apparent, but, more than that, what happens if someone decides that they have some hazardous waste to dump? The nearest legal place to take it could be many, many miles away—that is certainly the case in my constituency—and the temptation to put it in a farmer's field is enormous. When that farmer finds that he suddenly has a load of asbestos in his field, what does he do? If he reports the matter, he is liable for dealing with it. That is grossly unfair, but it is the legal position. The temptation must be either to ignore it or bury it.

I suggest to the Minister that one reason why we may not have seen a high level of reporting of hazardous waste dumping is because of that sort of scenario. We need to find the answer to the conundrum of how we ensure that the person who dropped the waste, and not the person on whose land it is dropped, is prosecuted. The latter already has to suffer a nuisance, a problem and inconvenience, and to end up with the cost of disposal as well is unfair. I do not suggest that solving the problem is easy; a farmer could be in league with a polluter and pretend that he was not aware of the waste. I do not underestimate the problem, but it is a serious issue.

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): I understand the hon. Gentleman's point, but the Environment Agency does a very good job monitoring fly-tipping, and he will be aware that the Flycapture database has been upgraded. The agency tells me that although there is evidence of the fly-tipping of hazardous waste, it has not detected any increase since the introduction of co-disposal. I have sympathy with the innocent victims, but it is sometimes difficult with farmland to identify those who—very rarely—are colluding, and those who are not committing an offence. There was a recent case of a farmer who was fined £20,000 for burying fridges on his land. He was in fact also the Conservative leader of the local council.

Norman Baker: There is innovation in local government under the Conservatives, if nothing else.

The Government can do quite a lot. First, they can lead an education campaign and challenge the idea of a throwaway society. It becomes far too easy simply to believe that packaging does not matter very much—just chuck it away, and no one bothers about it. That is why I am particularly heartened by the example provided by the hon. Member for East Surrey of the crisp packet thrown out the window of the car. While supermarkets are producing 17 billion plastic bags every year, which are then—who knows what happens to them?—disposed of in some way because they are not recyclable in any meaningful sense, while fast-food outlets are producing cartons that are just thrown away because they are contaminated by food and also not recyclable in any meaningful sense, and while we have bad practice from industry, which people see every day, it is difficult to get across the message that waste is bad. Waste is implicit in the way in which society and industry in particular operates, and that includes some of our leading retailers. There is an issue about education not only for the public but for business, and the Government have a role in that.

Secondly, we must find a way to reduce waste, not simply allow it to increase every year. It is disappointing that the municipal waste figures show a 19 per cent. increase over the past six years. The Government's hierarchy, which I entirely endorse, has minimisation at the top, but we do not see much about it.

I was astonished that the Clean Neighbourhoods and Environment Bill does not explicitly include variable waste charging. The Minister's boss said in a speech in the summer that it would be included, but it suddenly disappeared. Some variable waste charging or financial incentive to reduce waste is key to minimisation, and I very much hope that that will be explicitly included by the time deliberations on the Bill conclude.

Mr. Morley: I just want to deal with that point in case I forget it in my winding up. It is true that DEFRA is keen on the idea of incentivising waste minimisation. However, we have discovered that primary legislation is not necessary to introduce incentive schemes.

Norman Baker: I am interested to hear that. If the Minister could provide a note on that, I would ensure that it is circulated to Lib Dem councils up and down the country. I hope that the other parties will do something similar.

I do not wish to be churlish, but the Government could also be better prepared for European Union directives. I mention the word "fridges". I will not say any more, as everybody knows the story of the fridges. I touched on the subject of hazardous waste. The issue of batteries is the next one down the line. We will shortly be required to recycle 44 per cent. of our batteries, yet we are recycling less than 1 per cent. of them at the moment. I am not talking about car batteries—the Minister's usual response—but about household batteries. I understand that the only facility in the country, in Bristol, has been shut down, so we are not at all prepared for that directive either.

Then there are abandoned cars. The hon. Member for Stoke-on-Trent, North referred to abandoned cars and implied that the problem was nobody's fault. I must tell her that the Government had the option of making the producer responsible with immediate effect, but under DTI pressure—this comes back to the point that she made about how Departments work together—they chose to make the last owner responsible until 2007. Of course, the last owner has the car of least value and is the

person who is most likely to dump it. Therefore, it is hardly surprising that 300,000-plus vehicles have been dumped in the countryside. The Government made a mistake. We could have avoided the abandoned car mountain.

The other thing that the Government can do, of course, is legislate. I pay tribute to them for the Clean Neighbourhoods and Environment Bill. I endorse the welcome that my hon. Friend the Member for Guildford gave it on Monday. It contains several useful measures that will go a long way to tackling some of the problems.

As I am not a member of the Environmental Audit Committee and do not have to take the completely non-partisan approach that others are taking today, I say in passing that it is astonishing that the Conservatives could not support the Bill. I can find no credible explanation for their position. One reason they gave for not supporting the Bill was that it

"focuses predominantly on urban issues while neglecting rural areas".—[*Official Report*, 10 January 2005; Vol. 429, c. 48.]

Let them tell that to the farmers in my constituency who will have asbestos dumped in their fields. The Conservatives' position is ludicrous, and I cannot understand why they have taken it.

Ms Walley: I cannot understand their position either. To those of us who were present throughout the whole of the Second Reading debate, it is clear that waste knows no boundaries, and that the Bill applies just as much to rural areas as to urban ones. I could not understand the response from the official Opposition.

Norman Baker: Frankly, I had hoped that we might have a united approach on the matter. I suspect that if the hon. Member for East Surrey had more influence, we might have one. We must send out a message to the population at large that the issue is serious, and it would be helpful to have cross-party support for some of the measures that the Government are proposing. The Government will certainly have support from my party. To take a partisan approach, the absence of Conservative support for the Bill is a political gift in the run-up to the election. However, perhaps that is beyond the remit of this debate.

I particularly welcome in the Bill the greater use of fixed penalties as an alternative to prosecution. We shall explore in Committee the issues that are rightly raised about how they are administered, but the principle is right. I also welcome the removal of the defence for acting under an employer's instructions and the fact that the Government are seeking to close that loophole. I welcome the increase in penalties, which have been referred to, and the ability of local authorities and the Environment Agency to recover their investigation and clear-up costs, which is another useful addition to the Bill.

I also welcome the proposals on noise. The Minister will know that I am particularly concerned about car alarms, which are intrusive. Often they go on for a long time. They do not appear to protect the car, because everybody assumes that they are false alarms. Even if they are not, by the time somebody gets there, the car may have gone. They are particularly useless. There is much more modern technology in the form of, for example, silent alarms that contact a mobile phone or pager, and tracking devices under the car. Car alarms are 1970s technology that we ought to phase out. They are an environmental nuisance and do not perform any sensible crime prevention role. I hope that the Minister will look carefully at our proposals to strengthen the Bill in respect of car alarms and burglar alarms, with which there is a similar problem.

Of course, we must identify the culprit. If we are to be sensible about tackling environmental crime, there must be an expectation that whoever commits the crime is likely to be caught and prosecuted for it. I fear that at the moment we do not have that expectation. People believe that they can get away with it, that they are not going to be caught and that, even if they are, they will be fined next to nothing. A parliamentary answer that I received from the Minister following a question that I asked about the average fine imposed on businesses prosecuted by the Environment Agency in each financial year—businesses, not individuals who might be fly-tipping—revealed that the average fine last year was £7,229. That is for all environmental crimes, not simply fly-tipping. That is next to nothing for many crimes. If the business is a big one, and many of them are, £7,000 is nothing.

If the Minister talks regularly to Barbara Young at the Environment Agency, as I am sure he does—she is very competent at her job—he will know that she despairs at the level of fines that are given out for environmental crimes compared with, say, financial crimes. What about fines in legislation from the Department of Trade and Industry? I do not know the fines provided for in the Consumer Credit Bill, but I am sure that if somebody got caught in that context the fine would be a lot more than £7,000. There are £1 million fines in Treasury Bills. Financial crimes are taken very seriously, but environmental crimes are treated as afterthoughts. I would argue that £7,000 is nothing.

Mr. Peter Ainsworth: The hon. Gentleman is making an extremely good point. Will he reflect on the fact that, although on this side of the Atlantic we are prone to being highly critical of the Americans for their attitude towards the environment, in fact the United States has a much more onerous system of fines for environmental abuse? We could learn a lesson or two from the Americans on that front.

Norman Baker: I entirely agree. One should not assume—I am sure that the hon. Gentleman does not—that George Bush epitomises the United States. He does not. A lot of good work goes on, both in the respect that the hon. Gentleman referred to and in relation to work on climate change by some of the north-east states. There is good stuff coming out of America. George Bush is not part of it, but never mind.

We have to ensure that the penalties that are given out for environmental crimes are commensurate with the level of the crime, the impact on the environment and the capacity of the person responsible to pay. If the level of fine is such that frankly it is no deterrent, why bother having it in the first place? I fear that that is where we are. We must find a better way of dealing with the situation. As was mentioned earlier, the Government are increasing the penalty for fly-tipping to £50,000. That is welcome, but it is not much good if the fines are

[Norman Baker]

not imposed. We have heard today about training for magistrates. Judicial training is quite rightly part of what is being considered by the Environmental Audit Committee. I wonder whether there is a case for an environmental court with specially trained magistrates who concentrate on these issues, come across them regularly and have experience of what level of fine is appropriate in particular circumstances. My fear is that environmental crimes come before magistrates relatively infrequently, if not rarely, which means—with no disrespect to them—that they do not have the experience to know what is appropriate. An environmental court might be one way of dealing with that. Will the Minister comment on that?

We must first identify the culprit. I am concerned about the resources that are available to the Environment Agency in particular. It is embarking on a so-called light-touch regulation strategy, which might be sensible in some regards, but seems like a way in which to deal with a budget that is not sufficient for its needs. If the Minister reads the parliamentary answers that he has given me, he will find that, given its intended inspection regime, the number of inspections carried out by the Environment Agency has decreased, despite the fact that its target has dropped by a third. It is inspecting far fewer premises than it used to, so the chances of it picking up on something are reduced.

As for cameras to pick up fly-tipping, they are few and far between. Particular sites in my constituency are notorious for fly-tipping. I am still waiting for the Environment Agency to provide cameras for those sites, but it has not got them, so there is clearly a need to examine the funding of the Environment Agency and to ensure that local authorities play their part and receive the commitment and understanding that perhaps sometimes they do not enjoy.

I endorse the Environmental Audit Committee's recommendation on banning vans. It is an interesting and innovative way in which to examine one of the problems. There are other ways, such as compulsory remediation, of which I am in favour. I am in favour of someone who is caught writing graffiti on a wall being made to scrub it off. It is not sufficient to leave that action to someone else. People should be confronted with the consequences of their crimes far more than they are now. That applies to environmental crimes as much as it does to anything else. However, sadly, people are not often caught.

According to figures given to me by the Minister, only 0.6 per cent. of instances of landfill pollution in one year—an environmental crime—resulted in a fine. What incentive is that for people not to commit a crime? Catching people is serious, as is what happens to them once they are caught. Although the Government have made some progress with the Bill that was debated on Monday, under which people will be prosecuted and have to pay higher fines, I am not sure yet whether they have done enough to ensure that people are caught in the first place. I should be grateful if the Minister assured me about that.

I come now to environmental liability insurance. Part of dealing with corporate environmental crime—if I can call it that—is to make sure that companies are properly covered and can pay and take responsibility for environmental crimes. On 16 June 2003, I tabled a written question to the Department for Environment, Food and Rural Affairs asking what was its policy

"on the placing on businesses of a requirement for compulsory environmental liability insurance".

That is important, especially if the consequences of environmental damage are significant. The reply stated:

"The Government's policy therefore is not to support compulsory financial security."—[*Official Report*, 16 June 2003; Vol. 407, c.7W.]

I do not agree. The Minister must reflect on that reply. As he will know, there is a proposal for the environmental liability directive winging its way round Europe. If he can say whether the Government are changing their position on such matters, I should be interested to hear it.

Mr. Ainsworth: Is there not a potential problem with the hon. Gentleman's suggestion? The last thing that we want is an increase in the penalty regime—which everyone agrees will happen—only to find that companies are insuring themselves against the consequences of committing environmental offences.

Norman Baker: I understand that point, but I suspect that the insurance industry itself would ensure that there was a cut-off point above which it would not pay out. We are talking about large environmental crimes, such as the pollution of water sources.

Mr. Ainsworth: Why should an insurance company pay out in the event of a company committing an offence? I am not even sure that that would be legal.

Norman Baker: There are offences that are committed intentionally and offences that are committed unintentionally. A distinction can be made between the two. Liability insurance is worth pursuing; it is being considered in Europe. As for personal liability, it is also worth pursuing directors of companies more often. Such measures would bring home to businesses the fact that they should take matters more seriously.

I welcome the Aarhus convention and the extra ability that environmental regulations now provide for securing information about the environment. I hope that local authorities in particular will respond to requests. I will certainly be asking the Minister for information under those regulations. I note with interest that under the Aarhus convention, oral requests are sufficient; they do not need to be put in writing. Can the Minister say whether matters we raise in debates—let alone in parliamentary questions—are now treated on the basis that is required of the Government under the Aarhus convention, or will they be treated on a separate basis?

4.31 pm

Miss Anne McIntosh (Vale of York) (Con): I welcome you to the Chair, Mr. Deputy Speaker, and I warmly congratulate the Environmental Audit Committee, and especially its Chairman, my hon. Friend the Member for East Surrey (Mr. Ainsworth), on the reports. I want to put it on the record that I acknowledge that the Government occasionally do positive things, and I think that setting up that Select Committee was a very positive

contribution to parliamentary scrutiny. We have had two constructive reports, as well as an excellent debate on them this afternoon.

At the outset, I should declare a relevant interest that is listed in the Register of Members' Interests: I am currently doing a placement with Network Rail under the Industry and Parliament Trust scheme.

Mr. Morley: Digging the tracks?

Miss McIntosh: Not quite.

I should also say that I am one of the many people in the country who chew gum—ENCAMS estimates that there are 20 million of us—although I assure the Committee that I dispose of it in an environmentally and socially responsible way.

I welcome this debate. The Select Committee has built up a high level of expertise through the evidence that it has taken and its study visits. I am disappointed not to have seen the photographs of its eminent Chairman being placed in front of the chewing gum extractor machine, but Committee members can share that moment with me later.

I want to explain my party's position on the Clean Neighbourhoods and Environment Bill. I relish the possibility of seeing the Minister and other Members present in this Chamber serving on the Standing Committee that scrutinises the Bill. Its first sitting is on Tuesday, and I hope that everyone has bid for a place on it.

We took a principled position on the Bill, and tabled, and voted for, a reasoned amendment. We did not vote against the Second Reading of the Bill. I contrast that with the position of the Liberal Democrats: they spoke at length on Second Reading of their support for the Bill in principle, but they have tabled a large number of wrecking amendments, which I am sure they will try to justify when the time comes. We have adopted a more positive approach, which we look forward to pursuing.

Norman Baker: It is difficult to describe the Conservatives' tabling of an unreasonable amendment as positive, and to criticise the Liberal Democrats as negative when we support the Bill.

Miss McIntosh: On Monday, the Liberal Democrat spokesman said that his party supported the Bill and would vote for it on Second Reading. However, the party has tabled a historically high number of what I would call wrecking amendments.

Mr. Deputy Speaker: Order. May I assist the hon. Lady? "Wrecking amendment" has a technical meaning in this context. It refers to an amendment designed to destroy the principle of the clause or subsection to which it relates, and it is not selectable by the Chair.

Miss McIntosh: In many instances that will indeed be the case, because many of the amendments merely delete subsections.

Can we dwell for a moment on the scale of the problem? I want to refer to ENCAMS written evidence, which is annexed to the Select Committee's ninth report, "Fly-tipping, Fly-posting, Litter, Graffiti and Noise". In September 2003, the Home Office antisocial behaviour unit stated that the estimated total cost per year of antisocial behaviour was £3.3 billion, with an antisocial act being reported on average every two seconds. It also said that the estimated cost of a one-off town centre clean-up of chewing gum alone was in the region of £25,000. That is staggering.

I referred briefly to Network Rail, which has told me the cost of one aspect of the evidence that the Select Committee considered. I do not know whether the Committee took evidence from Network Rail, but we on the Transport Committee took similar evidence on the clear-up by London Underground tube lines and Metronet. Under the performance regimes in the Network Rail regulated track access agreements, the average cost of delay to a train is £42 per minute. Using that average daily cost of delay, if 10 trains were delayed for one hour while graffiti was cleaned up, the cost would be £25,200. If we add that up over a year, we see that we are faced with substantial costs in one industry alone.

Mr. Peter Ainsworth: I take it that my hon. Friend is talking about an entirely hypothetical situation as there is not much evidence that any graffiti is cleaned up on railway lines or bridges.

Miss McIntosh: It is not for me to speak for Network Rail, but I would be delighted to put my hon. Friend in contact with it. I am rather surprised that, if he is so concerned about it, the Select Committee did not take evidence from Network Rail.

Mr. Ainsworth: We may do so in due course.

Miss McIntosh: I certainly hope so.

In an early-day motion in July, we recorded the fact that litter has increased by 12 per cent. in 2003 according to the Department's figures. The disposal of chewing gum on town centre streets increased by 94 per cent. in the same year.

Ms Drown: Would the hon. Lady support the idea of some sort of levy on the chewing gum manufacturers, perhaps in proportion to their profits, to recover the costs of the damage that chewing gum does to our streets?

Miss McIntosh: I should have thought that a levy or a purchase tax would be the least-favoured option among Conservative Members, as we are a low-tax party. I assure the hon. Lady and members of the Environmental Audit Committee that I have been in contact with Wrigley's. Having studied at Aarhus university—I am half-Danish—I hope to make similar overtures to Stimorol. I shall return to the subject of chewing gum. We could focus a little more on the means of dealing with the problem, but I should have thought that a levy or purchase tax was the least favoured option.

Turning to the first of the Committee's two reports and its conclusions, I think that fines often focus on those who are easily identified, but they are often the poorest in society and the least able to pay. I believe that fines should reflect the ability to pay. I would not dream

[Miss McIntosh]

of encroaching on magistrates courts, perhaps because I am better informed on that subject. As a non-practising member of the Faculty of Advocates, I know that judges are given training on these matters, and I am sure that magistrates would welcome similar training.

I express my disappointment at the lack of a national database for environmental crime; that would be a positive step. The Committee's recommendation on compulsory remediation work is very welcome; it may be more appropriate than a custodial sentence. I shall be interested to hear the Minister's response to that because there was no Government response to "Environmental Crime and the Courts". It would be helpful to hear whether the Government support the Committee's recommendation on compulsory remediation work.

The Committee concluded that community sentences are inflexibly tied to custodial sentences, limiting the courts in passing an appropriate sentence for environmental offences. It will be interesting to hear the Minister's response to that. The Chairman expressed eloquently the need to operate the "polluter pays" principle and ensure that the fine is larger than any amount by which a company might have profited by perpetrating an environmental crime. The Committee rightly identified, in its report and in the evidence that it took, the problem of avoidance of fine payments. How the Government will deal with that is of great interest to us, too.

Turning to the ninth report and the Clean Neighbourhoods and Environment Bill, the Secretary of State said during the Bill's Second Reading on Monday 10 January that fines will be reinvested by councils in cleaning up environmental crimes, but perhaps her most staggering statement was that the powers vested in the Bill are only discretionary and carry no corresponding duties on local authorities. I referred earlier to the regulatory impact assessment annexed to the Bill, in which it is estimated that local authorities' revenue from an estimated 50 per cent. take-up on fixed penalty notices would be £3 million. A 75 per cent. take-up would render more than £4 million.

I should like to reiterate this afternoon a powerful point that I made on Second Reading. If the take-up is lower than 50 per cent.—possibly as low as 20 to 30 per cent.—there will be a correspondingly low revenue stream to councils. The most pressing and impressive conclusion of the Committee's report was that there is a singular lack of resources, a point that was echoed by the Liberal Democrat spokesman this afternoon. Perhaps the Minister will respond to that. If, as the Committee has said, there is low take-up, how do the Government think the Bill will resolve that when the powers are only discretionary, as the Secretary of State herself said on Monday? The report also said that crime against the environment should be recognised as an aggravating factor before the courts. Does the Minister accept that?

On the problems of implementing fixed penalty notices, particularly in relation to litter, chewing gum and abandoned cars, what is the Minister's response to the Law Society's point that local authority and Environment Agency officers, who are to issue fixed penalty notices, must be sufficiently well trained and properly qualified to implement them, because of the consequences that will flow, not just from the fixed penalty, but from its not being paid? The Law Society is deeply concerned about that and I should like to know the Minister's reaction.

Will the Minister also look favourably on the suggestion, made in the debate this afternoon, that police officers maintain co-responsibility with environmental or local authority officers? Or does he think that residual responsibility for implementing the powers in the Bill should remain with the police, following the recommendations of the reports? Has he had the opportunity to give that any thought?

Defining chewing gum deposits as litter, which was touched on this afternoon, carries with it the round-the-clock duty on local authorities to remove it. As Westminster city council has said on the record, that brings a huge increase in costs. I wonder whether, having spent £60,000 commissioning a report on all the various ways of discarding chewing gum, the Government will consider providing resources to anything like that generous level if chewing gum is to be redefined as litter.

On the bigger issue of fly-tipping, recommendation 19 was very positive. In my view, it will have teeth only if the Government agree with the Conservative proposal to make fly-tipping an arrestable offence. At the moment, the Bill does not go that far. Does not the Minister agree that it is no good simply to seize a vehicle accused of dumping waste, abandoned vehicles, fridge-freezers or white goods or being used for any other form of fly-tipping, if the perpetrator of the environmental crime is allowed to walk away and repeat the crime using another vehicle? That would constitute a loophole in the Bill, and we have tabled an amendment to deal with that. I hope that the Minister will respond positively to that this afternoon.

I alluded earlier to the tremendous growth in fly-tipping since 2001: the Environment Agency has reported a 43 per cent. increase. As the Committee pointed out, other environmental crimes, such as fly-posting and creating graffiti or litter, are also on the increase. In 2003, Westminster city council reported that fly-posting had increased by 27 per cent. since 2002. It says that the current approach to fly-posting is not working.

As one hon. Member said this afternoon, the Environment Agency does not have adequate powers to deal with fly-tipping, so we look to the Minister to increase those powers, and not just on seizing vehicles; its powers of arrest must be extended as well. Would the Minister also look favourably on enabling the agency to access the DVLA registration database? At the moment, it is excluded from that.

Similarly, existing punishments are not a sufficient deterrent to fly-tippers, and if the two reports are to mean anything at all, we must extend powers in that regard. The Environment Agency should be given greater funding, stronger powers and more resources to deal with fly-tipping. Specifically, there should be more environment officers, who should be given the power of arrest in serious cases and, as I said, direct computer access to the DVLA database.

Local authorities must take primary responsibility for preventing and clearing up fly-tipping. Although the Environment Agency would become involved in the

most serious cases, local authorities should take the lead in the majority of incidents because, although many authorities take their responsibilities very seriously, in our view some are happy to leave the burden to the agency, which maintains ultimate responsibility. The agency has neither the manpower nor the resources to deal with incidents of fly-tipping in a specific area, and thus the ultimate responsibility for more minor incidents should be shifted to the local authorities. Does the Minister agree?

Ms Drown: I would be grateful if the hon. Lady clarified her position. She is calling for more resources for the Environment Agency, but she is saying that local authorities should take the lead. Does she also think that local authorities need more resources to deal with fly-tipping? If so, how does that square with her being a member of a low-tax party, which will not even support a surcharge on the profits of the chewing gum companies to deal with the problem of chewing gum? Is not she then saying that income tax should sort out that problem as well?

Miss McIntosh: I think that the hon. Lady has bought herself a place on the Standing Committee that will scrutinise the Bill: she can then see how our amendments would deal with that. One of the principal reasons for opposing the Bill—as, I think, the Chairman of the Select Committee himself said—is that the resources allocated are inadequate. As I said, the fact that fixed penalty notices will probably not reach the 50 per cent. take-up threshold means that neither the local authorities nor the Environment Agency will have sufficient resources. That is something that we will return to when scrutinising the Bill next week.

Sentences for environmental crime are too low. In our view, the Government must take action to ensure that the law acts as a deterrent to all those involved in such crime, and that includes fly-posting. The Committee describes the current sentences for fly-posting as "derisory". Noise is not considered an environmental crime and data on noise incidence are not collated centrally. Does the Minister agree that such data should be sent to his Department by local authorities annually so that it can take an overview? Does he agree that noise nuisance should be a crime under the Anti-social Behaviour Act 2003?

Recognising environmental crimes and acknowledging the increased powers for local authority and Environment Agency officers in the Bill, as recommended by both the reports before us, we have to ask where the necessary extra resources will come from. Where powers are, for example, transferred from the police to local authorities—that applies, in particular, to removing abandoned vehicles and dealing with stray dogs—will there be a corresponding transfer of authority? The Bill sets out the powers but not the corresponding duties of local authorities—those are not my words but those of the Secretary of State on Second Reading on Monday.

Will the Minister therefore confirm that the powers set out in the Bill are purely discretionary? If that is the case, the consideration of the reports is timely. As the operation of that excellent machine in Leeds shows, many of the powers to remove litter, chewing gum and abandoned cars already exist. Many Conservative-controlled councils, such as Westminster city council, are implementing those powers. Other councils, controlled by the Liberal Democrats and by Labour, are not. Therefore, in responding to the two reports, it is up to the Secretary of State to make the case that the Bill goes as far as the Select Committee wants it to.

4.52 pm

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): It is a pleasure to respond to an excellent report. It is also a pleasure to be under your chairmanship, Mr. Deputy Speaker. I was pleased with the recommendations of the Committee and I thought that the Chairman, the hon. Member for East Surrey (Mr. Ainsworth), made a very good speech. It is not the first time that I have found myself agreeing with just about everything that he said. I agree with other hon. Members that he is missed from the Opposition Front Bench. I am sure that the Conservatives would not have made the incredible tactical error of opposing the Clean Neighbourhoods and Environment Bill, which is a popular measure, were he on the Front Bench. As the hon. Member for Lewes (Norman Baker) said, the Conservatives oppose it because, they say, the Bill relates to urban and not to rural areas.

Miss McIntosh *rose—*

Mr. Morley: I am only teasing, but I will give way.

Miss McIntosh: I am most grateful to the Minister for giving way so early in his speech.

One reason that the Bill includes an imbalance is that, whereas waste dumped on urban ground will be removed by the local authority, waste dumped or fly-tipped on private land must be removed by the landowner at his own expense. Does the Minister agree that that is discriminatory against rural dwellers?

Mr. Morley: No, I do not. If the hon. Lady looks at the Bill, she will find that in relation to, for example, households, the person responsible for moving waste is the householder. If it is not the householder, it is the owner of the property—the landowner. Whether the waste has been dumped on property or land, the responsibility falls on the owner. The local authority can remove waste from backyards or gardens, but they can bill the landowner for it. Therefore, responsibility still goes back to the landowner. Therefore, the measure is not discriminatory. I am sure that we can explore that issue in more detail.

I welcome the comments of the hon. Member for East Surrey about the need for a cross-Government approach. Of course, these issues link in with the Anti-social Behaviour Act 2003, the Home Office and quality of life issues. I agree that environmental standards, regulation and law must be given a high priority. That is why the Government are bringing forward a Bill now.

The hon. Gentleman gave a number of good examples to show that there is a need for reform. We accept that, and we accept the main thrust of the Committee's reports. He also mentioned the need for a national database. He welcomed the Flycapture database, as do I. The information on the database can, in some circumstances, be used for and related to other activities, although it is true that it is not designed to be

[Mr. Morley]

compatible in all cases. There is an issue to do with defining "environmental crime". There are some complications, but I am not unsympathetic to the points that have been made. We are stepping things up.

I accept that the more information we have, the better. That is why we are improving all our databases and all information that gives us an idea about environmental activities and things such as waste flows. That helps us with regulation management and making decisions.

The hon. Gentleman mentioned intimidation of people who want to report environmental crime. I accept that that happens on occasions, but intimidation is a serious offence and there are already laws on that—and, incidentally, on the obstruction of an environmental officer going about his or her duties. Those laws can be applied if there is a problem. I am sure that that comes up from time to time.

The hon. Gentleman asked about the Aarhus convention. We plan to ratify it this spring, so that it comes into effect in time for the UK to participate fully in the first meeting of the parties to the convention. We have every intention of doing that.

My hon. Friend the Member for Peterborough (Mrs. Clark) rightly emphasised the fact that environmental issues affect quality of life. There is also a social justice aspect, because it is often people who live in the most deprived areas who suffer the worst environmental degradation. We take that seriously as a party and a Government and want to address that.

My hon. Friend mentioned councils not using their powers. Councils are in many cases obliged to report the environmental activities that they undertake under regulations. They are also accountable to the Environmental Audit Committee and, most importantly, to the people who elect them, whom they represent. Frankly, if councils are not taking environmental issues seriously, it will be no surprise to me if they pay for it at the ballot box.

My hon. Friend the Member for Morley and Rothwell (Mr. Challen) mentioned a number of issues to do with enforcement, and touched on the evasion of fines for illegal fishing. As a former Fisheries Minister, I know all about that; in fact, I sanctioned some of those prosecutions and fines. In one case, there was a fine of £1 million. People do try to avoid the fines, principally by going bankrupt. On at least one occasion, people have just left their boat tied up in port and walked away from it. Companies go bust and so avoid the fines.

In other cases, we enforced the fines by seizing the fishing vessels and not allowing them to leave the port. That involves the wonderful, arcane legal procedure of nailing a writ to the mast. As masts these days are made of steel, that is a bit tricky. The procedure should be called sellotaping a writ to the mast. We will have no hesitation in using whatever powers are available to us in enforcing such fines.

On occasions, we despaired because very low fines were imposed on people who made very large sums of money. The report picked up on the point that environmental crimes can be very profitable and fines need to reflect those activities. A £1 million fine reflected the fact that there was large-scale fraud involving valuable fishing catches and environmental damage to fish stocks.

My hon. Friend mentioned the use in Leeds of pouches for gum and cigarette butts. I am very interested in that, not least because those pouches were drawn to my attention by one of my constituents, who is manufacturing them. I think that it is those that Leeds city council is using. I was intrigued by his product. It is very small and cheap. It can be used to dispose of chewing gum and cigarette butts properly. I have drawn it to the attention of my Department and of the Minister for Rural Affairs and Local Environmental Quality because we may want to draw it to people's attention. It is an innovative and effective idea.

My hon. Friend the Member for Morley and Rothwell mentioned the issue of hypothecation. I am a supporter of hypothecation. I have always been a fan. There are all sorts of ways in which it can be used. That might explain why I have never been a Treasury Minister—my enthusiasm is not universally shared. I have to be honest about that. However, fines go into the Consolidated Fund. I am sure that it would be possible to use that fund to put money back into enforcement, education programmes and perhaps reward schemes—all the various good ideas that members of the Committee have mentioned. I am sure that that is worth exploring. We may want to discuss it during proceedings on the Clean Neighbourhoods and Environment Bill.

My hon. Friend the Member for Stoke-on-Trent, North (Ms Walley) mentioned that this issue is a priority for people. That was shown by the turnout for the debate on the Bill, certainly on the Government Benches. I am sure that all of us find, when we talk to our constituents, that fly-tipping, rubbish and graffiti are big, quality-of-life issues. That is particularly the case in certain parts of my constituency. People find those things offensive and should not have to live with them. That is why we are determined to take action. The Committee's report on environmental law, fines and procedures is relevant to how we can improve the situation and take it forward.

Ms Drown: The Minister mentioned some of the priorities of our constituents. Does he accept that noise, which the Environmental Audit Committee also looked at, is a priority as well? I am pleased that, in Swindon, we have an out-of-hours service, but some of our neighbouring boroughs and districts do not. Could he think about trying to co-ordinate with DEFRA, Chartered Institute of Environmental Health officers and the Home Office to ensure that there is an out-of-hours service across the country, so that, wherever there are appalling noise problems, an out-of-hours service is available?

Mr. Morley: Noise is certainly an issue. I am going to touch upon that, because it was raised by a number of Committees. Car alarms are a real nuisance in certain parts of the country. I must confess that I once had a surreal moment parking my car at the car park at Heathrow when Concorde took off. That wonderful feat of engineering was achieved before things such as noise were taken into account. The noise was so great that it made the ground vibrate, which set off about 500 car alarms around me. I understand the need to control that.

Burglar alarms are another issue that is addressed in the Bill. Again, I have to confess that I had to redesign completely the burglar alarm system in our house, because, when we went out and left the cat in, the cat set it off. I never thought that it moved enough to set anything off, but there we are.

Ms Walley: I return to a point to which I referred briefly on Monday. Given the expertise that the Chartered Institute of Environmental Health has, of which my hon. Friend the Member for South Swindon (Ms Drown) reminded us, is there scope for the Government to forge an even closer working relationship with that institute on those issues, including noise, so that, when the Government are developing new powers, enforcement measures, staff training and expertise, the Minister receives the best possible advice? I speak as a vice-president of that institute.

Mr. Morley: My hon. Friend is probably aware that we hold that institute in high esteem. It is an important stakeholder in the Department and one of our consultees. We appreciate its input and advice, and I will also look closely at what she has to say.

My hon. Friend mentioned the need to change the culture. That is absolutely right, and we are seeing a welcome culture change in recycling. More and more people are doing it and more and more local authorities are introducing the facilities for it. There is a lot that we can do to build community involvement. Allied with that is environmental education, which is something that my colleagues in the Department for Education and Skills take seriously. We have discussed it in the Green Ministers group. There is more we can do and the Government are considering some interesting ideas, including ensuring that there are appropriate recycling facilities.

My hon. Friend mentioned the potential of pilot schemes and kindly put forward Stoke-on-Trent as a candidate. That touches on what the hon. Member for Lewes said about incentivising schemes. One or two councils have experimented with incentive schemes, and I have been interested in their work. I am interested in considering several approaches. Members of the Committee may be interested to hear that, in our forthcoming five-year plan and budgets, we have put aside £5 million for councils that wish to join pilots to provide incentives for waste collection, and we will make that public in due course.

I assure the hon. Member for Lewes that we are taking forward incentivising. It is part of what my hon. Friend the Member for Stoke-on-Trent, North said about the need for leadership. I accept that there is a leadership issue when dealing with environmental crime and degradation and when looking for innovation and support. That is a small example of an incentivising scheme to encourage the separation of waste and to help us to meet our targets for minimising as well as recycling and reusing waste. We are trying to give a lead. We accept that the Government are responsible for that and we take it seriously.

The hon. Gentleman mentioned end-of-life vehicles. There are several ways in which one can address producer responsibility for ELVs, and there is a perfectly reasonable debate to be had. I want to emphasise that the responsibility proposed by the Department of Trade and Industry is producer responsibility. Although it is the responsibility of the last owner of the vehicle to take it to a recycling centre, which would be the case under any scheme, the cost of dealing with the vehicles will be met by the manufacturer, not the owner.

Norman Baker: As I understand it, and the Minister can correct me, the measure takes effect in 2007. The Government had the option of making the manufacturer responsible now and during the period up to 2007. Instead they chose to make the last owner responsible up to 2007.

Mr. Morley: I am keen to see that scheme introduced as quickly as possible, but the hon. Gentleman will appreciate that it has to be negotiated with the car companies, facilities have to be in place and there has to be agreement. That takes a little time and people have to be given time to adjust. It has been mentioned that it is important that EU directives are introduced properly. That involves a lead-in time and that is what happened in that case.

The hon. Gentleman mentioned the issue of changing the way in which the Environment Agency carries out its enforcement. Its priorities are a decision for its board, its chief executive and its chair. I am keen for risk-based enforcement, whereby a body such as the Environment Agency would decide that its priorities are where the biggest risks of offences are. It could move its resources to that area. There may be other areas in which such a body has a regulatory function where the risks are very low. It makes sense to move more resources into areas with a high risk and to reduce resources where there are low risks. That is about good management and I would expect the Environment Agency to do that. I know that it carries out good management.

The hon. Gentleman mentioned the use of cameras. I am keen on that. There are one or two sites in my constituency where I would like them to be used. The problem is not so much their cost, but the fact that it is a labour-intensive process. The issue is that quite a lot of staff and staff time needs to be allocated to undertake that work. However, it is effective in fly-tipping hot spots. I have talks with the Environment Agency. I am well aware that fly-tipping is not uniform around the country. Using its data, the agency can identify parts of the country where there are much higher instances of fly-tipping—for all sorts of reasons—than there are in others. There is also the issue of ensuring that the most effective enforcement takes place.

The hon. Gentleman mentioned the environmental liability directive, which is coming in from the EU. We strongly support it and will ensure that it is up and running. He also mentioned insurance. Some of the doubts about that which were expressed by the hon. Member for East Surrey are correct. People cannot get insurance for environmental crimes. It is illegal to do so and it is not available. Insurance can be obtained for an accidental environmental incident. Of course, we want to concentrate on ensuring that we do not get the incidents, rather than on people insuring to pay for the clean-up afterwards.

There are problems about compulsory insurance. It is a difficult area. While insurance is desirable for all sorts of things, in most circumstances, it should be for

[Mr. Morley]

individuals and companies to choose what to do. There are sometimes good reasons for compulsory insurance. For example, car insurance is compulsory. However, the issue has to be thought about carefully.

I will now discuss the points raised by the hon. Member for Vale of York (Miss McIntosh). She rightly talked about the costs of environmental clean-up, and we want to give more attention to enforcement, management and regulation. She talked about remediation orders. DEFRA funded an interesting conference this autumn in conjunction with the Environmental Law Foundation and we considered the issue of environmental justice with a broad range of stakeholders. Many of the proposals that were raised in the report, such as a broader range of sentencing tools for the courts, the possible introduction of civil penalties, and ticketing judges and magistrates who hear cases of environmental law, were touched on in that conference.

Ticketing means proper training for dedicated magistrates and judges for dealing with environmental cases. That could be done either with dedicated teams or by having courts at certain times dedicated to hearing environmental cases. Obviously there would be problems with the caseloads of such environmental courts and where they were located. If we wanted them to be spread across the country, the costs could be very high. It might be more cost effective to have properly trained judges who as specialists are brought in to hear such cases. We are interested in that. My right hon. and learned Friend the Solicitor-General is a great enthusiast for that approach. An article written by her has been mentioned today. I have already met her to discuss this matter, and both she and I spoke at the conference, demonstrating the cross-Government commitment that the hon. Member for East Surrey rightly called for.

Miss McIntosh: I think that the hon. Gentleman's Department's response to the EAC's sixth report said that it would be particularly difficult, where magistrates sit in twos or threes only, to make sure that there are sufficient resources to ensure that the training on ticketing was effective.

Mr. Morley: These are some of these practical issues that we have to address. We are giving active thought to this because what the EAC report recommends, including the remediation orders, makes a great deal of sense. I like that idea, there is a lot of merit in it and we should explore it—and we intend to do so.

Ms Walley: I should be interested to know what talks are currently taking place on the future shape of the magistrates service. I admit that I do not know what discussions are ongoing. I saw something flagged up in the press about the possibility of magistrates being paid, so presumably there is consultation. I am looking to the Minister for confirmation that environmental crime is part and parcel of that consultation and not an add-on.

Mr. Morley: My hon. Friend's remarks go a little wider than my area of responsibility. She will appreciate that it is for the Home Office to comment on magistrates and the paying of them. DEFRA sponsored the conference for a number of reasons, but one was to take forward the ideas from the EAC's reports and to have a broad discussion involving stakeholders and the legal profession. DEFRA is currently considering the conclusions from the conference, and we are talking to my right hon. and learned Friend the Solicitor-General about how we can develop them.

In some ways this is a deregulating measure for industry. Large companies are sometimes accidentally responsible for minor environmental crimes—when a permit is out of date, for example. At the moment, they have to be taken to court; that is an expensive and time-consuming criminal procedure. We accept the thrust of the Committee's arguments that sometimes action needs to be faster, and that can be achieved through civil rather than criminal penalties. In so doing, penalties can be designed differently—remediation orders, for example.

However, that is not to say that people should not still go to court for major environmental crimes; they should and will. Hon. Members should not think that we are suggesting removing criminal prosecution when appropriate in environmental cases. We want to be more thoughtful and more flexible and, as the Committee argues, there should be a greater range of potential penalties for the courts to apply.

The hon. Member for Vale of York also mentioned discretion and duties under the Bill, such as those regarding local authorities.

Mr. Peter Ainsworth: I am extremely grateful for the very positive way in which the Minister is responding to our report and the debate. However, I do not think that I have heard him respond to the point raised by the hon. Member for Lewes (Norman Baker) about the lifestyle provisions of the Proceeds of Crime Act 2002 and their potential use to deal with environmental crime.

Mr. Morley: I planned to touch on such points, but in case I do not, I shall deal with that now. The Proceeds of Crime Act 2002 can be applied, in appropriate cases, to environmental crime. The hon. Member for Lewes used the example of hazardous waste. It is true that landfill disposal of waste is to become more expensive. That is because we want to move away from landfill towards more sustainable methods of waste treatment as well as towards minimisation. When there might be money to be made, a criminal element will try to exploit a situation. The courts can use the 2002 Act for crimes with potentially high profitability, and we might want to include that fact in training and in the way in which we apply environmental law. We take the point on board.

On duties and discretion, because there are differences in local authorities and in the scale of the problem, it is not unreasonable that local authorities should have such choices. They will get the proceeds from the fines. However, we know that many local authorities want the powers, and we are giving them those too. We are also signed up to the freedom and flexibility agenda that we negotiated with the Local Government Association, and we are trying to give local authorities an element of responsibility, discretion and choice.

There is the question of training staff on issuing notices. That is applied in training now, and the issue of on-the-spot fines or notices will, quite properly, be

addressed. There are procedures for dealing with the non-payment of court fines. Hon. Members may have noticed a new campaign that involves clamping the cars of people who have not paid their fines, which is a very effective tool that demonstrates the commitment. The local authorities or the Environment Agency can use the courts—or bailiffs, for example—for collecting fines. Those facilities are there.

The hon. Member for Vale of York also talked about powers of arrest for Environment Agency staff. That is a difficult matter; if such staff had powers of arrest, they would have to comply with all the laws that go with such powers. Such laws represent an enormous issue and such a move would divert huge resources from the Environment Agency. I do not believe that that is necessary. The agency often carries out campaigns in conjunction with the police and/or local authorities. The police make the arrests or can follow up crimes reported by the agency. They will arrest people and use their powers, for which they are properly trained and for which they have the necessary legal cover.

Miss McIntosh: The Minister is generous in giving way. Do Environment Agency staff have powers of citizen's arrest? On an initial reading of the Bill, my understanding is that those powers—on abandoned vehicles certainly; it is not clear on fly-tipping—are transferring in many cases from the police to environmental officers. That raises the questions of whether there will still be co-responsibility with the police on fly-tipping, whether the police will have residual responsibility, and whether the powers will transfer completely? I pay tribute to the Environment Agency's work nationally and in my local area on this matter; it has pioneered some excellent techniques. However, it has put it to me that without the power of arrest, the commitment in the Bill is very hollow.

Mr. Morley: I wonder whether we are talking about power of arrest in relation to the crime. The hon. Lady seemed a bit confused about fly-tipping. I assure her that the Bill will introduce the power of arrest for all fly-tipping. The fly-tipping of hazardous waste is already arrestable; the Bill would harmonise the regulations for hazardous and non-hazardous waste. Fly-tipping of non-hazardous waste will become arrestable as well. I reassure the hon. Lady that that is in the Bill.

Miss McIntosh: Arrest by whom?

Mr. Morley: By the police. I am not sure that the agency is arguing for powers of arrest for its staff. Those powers are in the various police Acts. Statements must be taken and if the agency staff suspect that a crime has taken place they are usually accompanied by the police. I have talked to the agency about the various effective campaigns. The stop and search power is new, as is the power to confiscate vehicles, although that is for the courts.

Ms Drown: One issue that has arisen during meetings that I have had locally about matters such as fly-tipping is that they are not a top priority for the police. That is also the case with noise and some other issues that are of great concern to our constituents. I understand that such problems cannot be a top priority for the police who must deal with murder and violent crime, but they could have one-off events to highlight the matter and bring in other agencies to add support. Would my hon. Friend's Department liaise with the Home Office to ensure that that co-operation exists, because it could make such a difference to our constituents?

Mr. Morley: I absolutely accept that. As I said, there are very good examples throughout the country of extremely good co-operation. On co-responsibility, the powers of seizure and prosecution are not exclusive to the agency. The police can take action on fly-tipping in terms of seizure. Because of the legal complexity, the power of arrest remains with the police, but the agency can call on the police to assist it with enforcement and, as I said, there are good examples of that. However, I accept my hon. Friend's point that we need to ensure that the police treat the matter seriously.

The link between quality of life and crime is an important issue for the police. Sometimes, the police think that low-level nuisance crime is not a priority and that they should concentrate on more serious crime. They should be doing that, but cracking down on low-level, antisocial, nuisance crime, including environmental crime, will deter more serious crime. Sometimes, some individual forces do not think that through, and we need to have that debate.

I also accept the point about data. We are in the process of improving all our data capture, because that is essential. The hon. Member for Vale of York referred to resources, which will always be an issue. Whatever our programmes and budgets, we would all like a bit more money. The agency's resources have increased considerably year on year. It has increasing demands and I think that it uses its funds very successfully. It has a good record on efficiency.

Some of my hon. Friends made the point that the hon. Lady is calling for more resources but her party has an agenda of cutting public expenditure. If she wants more resources, she will have to explain where she thinks those resources will come from. It will be very difficult to square a tax-cutting, public expenditure-cutting agenda with more money for public services.

Miss McIntosh *rose—*

Mr. Morley: I shall leave that for the Committee considering the Bill, because the issue is a wide one and I do not wish to spoil the harmony that we have had in this Chamber.

As the hon. Member for Lewes said, this should be a cross-party issue and I know that that is accepted by the Environmental Audit Committee. I join those in this Chamber in paying tribute to the work of the Chairman, the hon. Member for East Surrey. The report is very welcome and well thought through. It raises a range of important issues, and I hope that in my response I have demonstrated that the Government treat it seriously and are looking at ways of implementing what the Committee wants.

Question put and agreed to.

Adjourned accordingly at twenty-nine minutes past Five o'clock.

Westminster Hall

Tuesday 18 January 2005

[MR. JOHN MCWILLIAM *in the Chair*]

Global Warming and Climate Change

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Morley.]*

9.30 am

Mr. Deputy Speaker: May I advise hon. Members that there is no debate at 2 o'clock, so the sitting will be suspended when we finish this morning until 3.30?

Mr. Alan Meale (Mansfield) (Lab): May I say, Mr. Deputy Speaker, that once again you have proved your timing to be immaculate? You arrived just in time for the clock to change and for this debate to start.

Before I present my argument, I wish to pay tribute to and to thank staff in the Commons Library and in the Council of Europe environment secretariat and others, including my hon. Friend the Member for Sunderland, North (Mr. Etherington), my hon. Friend the Member for Portsmouth, North (Syd Rapson), who is here today, and my hon. Friend the Member for Finchley and Golders Green (Dr. Vis), who have helped me to prepare for the debate today. The subject is global warming, climate change and, of course, the Kyoto protocol.

Threats to our world posed by the effects of global warming are currently levitating politically in a haze of contradiction and confusion. Indeed, the issue needs a thorough de-coke if it is to stand any chance of capturing the hearts and minds of today's world leaders, who, like all politicians, are regularly reminded that they were charged with their responsibilities primarily because of their constituents' interests. Unsurprisingly—Russia is probably the best example of this—it will take a well orchestrated campaign to convince them that their public fully understand the nature and seriousness of the current situation. High degrees of clarity and understanding will have to be achieved to win over sceptical audiences into accepting the many fundamental changes that will have to be made in their everyday lives to tackle global warming and climate change.

How do we start to approach such a difficult task? My opinion, for what it is worth, is that things will begin to become clearer only once the many sections of informed expertise start to act much less competitively towards one another, taking a back seat rather than vying for pilot status. Removing such players from the central narration will not be simple. Prophets of the apocalypse have never been the easiest of hecklers.

The reality, however, is that a high degree of calm and unison, rather than competitive international trading and production nightmares, largely highlighting individual nations' concerns about such things as finite resources, need to be introduced into the public arena, so that ordinary people can absorb the facts and then grasp some understanding of the clear and urgent need to find ways of quickly and safely solving the many man-made problems causing global warming.

At the outset of the debate, I feel obliged to point out that, amazingly, some people still argue that global warming is not actually occurring. Probably the most well known of those is the Dane Bjorn Lomborg, who expressed the view in his book "The Sceptical Environmentalist" that global warming is a conspiracy and a mere cyclical mathematical formula devised mainly as an academic concept by theoreticians to gain both stature and ongoing research funding. That is, to say the least, a ridiculous scenario.

To be fair, Bjorn Lomborg is not the only one. A small number of other sceptics also argue against scientific data, for a variety or reasons, including research methodology. One cited the use of seawater rather than freshwater in calculations. Another contradicted research because of the time of year used for statistical breakdowns of thinning ice sheets, and yet another because of measurements devised from felled tree stumps in north America.

Stranger still is the narrow intellectual thesis espoused by top thriller writer Michael Crichton, most famous for his far-fetched tale "Jurassic Park", the plot of which had at its heart the return of dinosaurs via the use of ancient DNA acquired from mosquitoes trapped for thousands of years in precious amber gemstones. To say the least, that was a novel plot. Disappointingly, his latest scribble, "State of Fear", is much less rigorous. It is about eco-terrorism and has a plot that unfortunately allows him the opportunity to rant against science and, in particular, to state his view that the dangers of global warming are little more than

"the interminable yammerings of fear mongers who use it to keep ordinary people perpetually anxious."

I hope that most people, ordinary or otherwise, will dismiss such idle polemic as dangerous nonsense, invented mostly to bolster book sales or, at the very least, as alternative script material for Hollywood movie moguls. As Mr. Crichton is well aware, commercially, they want nothing more than to produce more sci-fi blockbusters to equal the recent box office success of the film "The Day After Tomorrow", which he did not write, but which had a more realistic scenario.

The Minister may be wondering why I am discussing a man who deals in imagination. It is important that we burst Mr. Crichton's bubble. He is appearing on platforms around the world espousing those views, which are dangerous because they confuse the public. Ignored he must be, especially his logic. Again, he said:

"The near-hypercritical preoccupation with safety is at best a waste of resources and a crimp on human spirit, at worst an invitation to totalitarianism."

Norman Baker (Lewes) (LD): Does the hon. Gentleman agree that there are others who deny global warming and present themselves as scientists, who sometimes end up writing articles in the daily papers? When they are tracked down, they turn out to be members of or supported by institutes in America that are funded by the oil industry.

Mr. Meale: It is interesting that the hon. Gentleman should say that, as I am about to name another one. His analysis is right. Unfortunately, as I said, Mr. Crichton is not the only one. There are many such people.

[Mr. Meale]

Stranger still is the opinion purveyed by Myron Ebell, director of the business-sponsored Competitive Enterprise Institute, based in Washington DC, who recently outstripped previous first world critics when arguing that describing climate change as "a crisis for humanity" was based on

"a tissue of improbabilities, which really only had one true objective",

that being

"for Europe to attack America's economic superiority".

He forgetfully, and rather conveniently, put aside the reality that most European member countries signed up for the Kyoto protocol at considerably higher levels than those proposed for the United States. He also failed to mention in his illogical analysis that leading American scientists have recently established that concentrations of carbon dioxide gases have risen to the unprecedented level of 375 parts per million. That is especially worrying, as the level was only 280 parts per million at the time of the industrial revolution.

In order to discuss such detailed and complex substance, or, in the case of the examples previously mentioned, the lack of it, let us examine the facts. Hon. Members must realise from the outset that it is freely accepted in today's scientific community that CO_2 and other gases play a crucial role in global climates and that, without them, global temperatures would be much lower. Similarly, it is crucial to understand that global warming statistics have not been recently discovered and are not mere theorised academic opinions. They have been well documented over many decades by eminent scientists and institutes the world over.

The role of gases in the environment, in trapping heat close to the earth, was first recognised as far back as 1827 by Jean Baptiste Fourier. The phenomenon was then observed and proved in 1861 by John Tyndall, using the then novel technique of quantitative spectroscopy. In 1896, the Swedish chemist, Sven Arrhenius, promoted the idea that CO_2 emissions from the combustion of coal could enhance the greenhouse effect and thus lead to global warming, a subsequently proven theory.

Since those times, the broad consensus of scientific opinion is that there has been an anthropogenic effect in our atmosphere. That is to say, changes stemming directly from human activities have taken place, which have consequently increased the amount of trapped heat close to the planet's surface, a view supported by work undertaken by United Kingdom scientist G.S. Callendar in 1949, when he directly linked the estimated 10 per cent. increase in CO_2 in the Earth's atmosphere from 1850 to 1940 with the warming of northern Europe and north America, which he calculated had begun as early as the 1880s.

As importantly, further studies carried out as recently as the 1970s identified that other gases, including chlorofluorocarbons, methane and nitrous oxides, were greenhouse gases. They also identified that global surface air temperatures had increased by between 0.3° C and 0.6° C since the late 19th century, and that between 0.2° C and 0.3° C of that increase had occurred in the last 40 years. That warming had already led to considerable loss of snow coverage and noticeable weather variations.

From those scientific discoveries emerged a series of converted academic programmes, which predicted that a doubling of CO_2 levels could eventually warm the Earth further, by anywhere from 1.4° C to 5.8° C. Bearing it in mind that a shift of less than 6° C caused the end of the ice age, international climate programmes were rapidly established to enhance individual nations' ability to respond to climate variability, including improved forecasting techniques, international co-operation, research and assessment.

Thankfully, and contrary to the views espoused by the likes of Lomborg, Crichton and Ebell, so successful was the evidence gathering that, by the mid-1980s, a major conference was held, sponsored by the United Nations Environment Programme, the World Meteorological Organisation and the International Council of Scientific Unions. That conference recommended that a global treaty addressing climate change should be promoted urgently.

As we are all aware, the conference resulted in the establishment in 1988 of the intergovernmental panel on climate change, led by Government scientists, but also involving several hundred independent, academic scientists and researchers throughout the world. In 1990, that body calculated that a 60 per cent. reduction in CO_2 emissions could, if applied, halt the build up of global warming. So seriously were its predictions taken that 116 countries took part in a second conference in 1990. By the time of the Rio summit in 1992, the panel's climate change convention had been signed by 155 nations and, by 1993, 50 had ratified its proposals and some had put them into effect.

Inevitably, with so much evidence and concern, by 1997, there was general consensus that climate change was occurring because of human activity. That view ultimately led to international recognition of the Kyoto protocol—an agreement to reduce the emissions of greenhouse gases. Smaller targets than the 60 per cent. calculated as necessary in 1990 were set, but the protocol was an avenue that was thought necessary by industrial, first world nations as the first step in a long process of providing good faith to the lesser developed world.

As well as recognising the magnificent efforts of the Secretary of State for Environment, Food and Rural Affairs, and especially the Minister present today, I want to pay tribute to my right hon. Friend the Deputy Prime Minister. Everybody knows that it was his steady chairmanship that went a long way towards delivering the essential landmark of the Kyoto protocol. I mention that because, contrary to some Fleet street cynics who seem at times interested only in his love of a certain type of motor car, it needs stating that he forced the pace to achieve that admirable and necessary objective. So strong was his determination to achieve an agreement that he and others, particularly the support team from the UK, tasted the success of their endeavours almost on the departure runway of the airport at the end of the conference.

As we all know, President Putin and the Russian Duma recently signed the protocol, undoubtedly influenced by the predicted world shortage of oil and gas and their nation's ownership of at least 23 per cent. of remaining reserves. In February 2005, it will come into force legally in those countries that are signatories to it, with its targets binding upon all of them. The delivery of the protocol has been a vital stage in the global strategy

for dealing with climate change and the planet's warming, not least because it represents, as I stated earlier, acceptance of its being caused by human activities.

Of course, there will still be the doubters—those whom I mentioned earlier—together with a small number of others who continue to argue that "measurements were incorrect" and "calculations wrongly based". However, the truth is that even President Bush has finally accepted that climate change is occurring. The debate has moved on, despite the doubters. Now the question is no longer whether we respond, but how we respond. In America's case, that has been settled by the White House. The President has decided to use taxpayers' dollars over the next 25 years to fund the American energy industry's research into cleaner technologies, and in particular into hydrogen and fuel cell technological development.

Only time will tell whether we have 25 years and whether such a decision is correct. Perhaps chance, ingenuity and/or discovery will produce something that will halt or even reverse current worsening situations. However, if one looks at what is happening to our world, the signs are not good. For instance, the United Nations has recently compiled clear evidence of further worrying trends, which indicate that, despite the major collective efforts made by countries to counter world poverty, climate change that results directly from global warming continues to cause more consequential weather-related disasters—droughts and floods—and in doing so forces even more people into poverty and destitution.

In relation to droughts alone, according to the United Nations, between the mid-1990s and 2000, almost 300 sq km of land were turned into desert each year. The same study estimated that, at the present rate, by 2025, two thirds of arable land in Africa will have disappeared, along with one third of such areas in Asia and one fifth in south America. As a result, 135 million people are being put at risk of displacement. Most of those affected are likely to be from the edges of existing deserts—in particular, poor farmers currently barely able to achieve sustainability or even basic subsistence levels. There will also be others from areas where people do not at the moment struggle to eke out a living, thus adding to the numbers suffering. Many of them will be least able to help themselves. What the immediate future holds for them is crop failure, followed by loss of quality, fuelled by soil degradation and subsequent further demise.

That is borne out by another recent United Nations study, which predicts that the proportion of people living in countries suffering significant water stress will double by 2025, proving conclusively that global warming is, as it has been described on the international stage,

"the mother of all ecological debts, owed by the North to the South".

Contrary to what the sceptics think, poverty and climate change are inextricably linked, with the poorest paying the heaviest price.

It is not just desert areas that will be affected by global warming. At the other end of the spectrum, changes are already taking place. For example, in the past few years, major areas of the earth's ice mass have already been lost. The Arctic and Antarctic continents regularly report big losses of ice shelves and major recessions of ice. In that respect, another recent report—one prepared for the eight-nation Arctic Council—reported a 10 per cent. loss of ice in the past 10 years. Worse still, it predicted that, if that continued, even at a slower pace, not only would it threaten present ecosystems, but another outcome could be the cooling of the gulf stream. If that occurred, according to the UK's Tyndall Centre for Climate Change Research, it would have devastating consequences, especially for northern Europe.

I mention that because, according to other expert opinion, it has been calculated that such combinations of cooling and melting could ultimately lead to a partial thawing of the Siberian tundra. If that occurred, it would subsequently release vast amounts of methane, the highest burning gas, which is eight times more volatile than CO_2, into the Earth's atmosphere, thereby seriously spiralling the warming of our planet.

Syd Rapson (Portsmouth, North) (Lab): How does the Opposition's policy of opposing the use of hydrofluorocarbons in firefighting square with my hon. Friend's warnings about the heat situation?

Mr. Meale: That is a good point. The Opposition should reflect on their policy on the use of HFCs in firefighting. It has been calculated that, by 2010, the use of HFCs to combat fire will make up less than .0005 per cent. of total emissions. If one puts that against what I shall say a little later in relation to fires, it is more than balanced by how they will combat a range of fires.

Is that alarmist nonsense? The reality is that we dismiss such warnings at our peril. Let us consider other likely outcomes if the problems of global warming and climate change are not tackled urgently. Many delicate indigenous native plants and wildlife eco-systems would disappear as temperatures rise or fall. Many marine species would either be lost or would migrate from their traditional breeding grounds. For example, according to recent reports by the British Antarctic Survey, climate change is already causing serious problems for aquatic life such as krill, the tiny shrimp-like life forms that flourish in their billions in cold waters, which are the staple diet of such species as penguins, seals, whales and others. In winter periods, those important life forms depend upon thick mats of green algae that flourish on the undersides of ice shelves. However, because of global warming, that foodstuff is either seriously retreating or is vanishing, leaving those species and many others without their necessary food supplies.

On another front, large areas of forest would either die or be destroyed by fire caused directly by the change in heat patterns. Last but not least, vast amounts of property and infrastructure investment would either be lost or put at risk by rising sea levels, flooding, coastal erosion and ground subsidence. I cite as evidence what has already occurred on the roof of our world. Some scientists have recently calculated that the Earth's highest ice fields could completely disappear within the next 200 years unless urgent action is taken to combat global warming. In a recent study, "The Glacier Inventory", produced by the Chinese Academy of Sciences, we were warned that, unless urgent measures are taken to stop further deterioration, those fields may be lost for ever. Proof for such claims are contained in the worrying statistics of that report, which reveal that

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at least 5.5 per cent. of the ice volume in China's 46,298 glaciers, representing 15 per cent. of the Earth's total, has already melted. That is equal to at least 3,000 sq km of ice.

Changes are taking place not only on the tops of Chinese mountains or in far-off continents. The UK Government chief scientific adviser, Sir David King, recently stated that even the most ambitious targets may not be enough to avert the worst effects of global warming. He warned that by 2050 carbon dioxide emissions may have to be cut by as much as 80 per cent. to avoid such catastrophic effects as the melting of the Greenland ice sheets, which would raise sea levels by as much as 20 ft, putting a number of cities in northern Europe under water as a consequence, including London, Paris, Amsterdam, Copenhagen and Helsinki.

At the same time, on the other side of the globe, because of similar ice loss, many small, poorer, vulnerable nations,—for example, small islands such as the Maldives, Mauritius and Tuvalou—could disappear entirely. Other countries would face horrendous and more regular flooding, especially such nations as India, Bangladesh, Sri Lanka and Indonesia—as if they have not suffered enough already.

Finally, we need to consider what the financial effect would be if global warming continued unabated. The reality is almost incalculable and certainly unaffordable. In the UK alone, the cost has been initially estimated to be as high as £26 billion at today's prices. To my mind, that is a surprisingly conservative figure when one considers the likely heavier and more frequent rainfalls, especially in winter periods. There will a further rise in sea levels, followed by more consequential flooding. On a much wider scale, the immediate causal effect world wide would be that public bodies and private property owners had to invest massively in flood protection, especially in urban areas and areas that house important but delicate structures such as nuclear power stations, chemical plants and transport infrastructure, especially underground railway networks.

As the Minister is aware, some direct effects of global warming and consequential climate change have already been experienced around the globe, most recently on the home front in Cumbria. Carlisle was recently devastated by 100 mph winds and extreme flooding. In such an unlikely place as Florida, home of Disneyland and Mickey Mouse, inhabitants witnessed the awful, frightening and confusing reality of climate change when preparing for their fourth hurricane of the season. They experienced that traumatic event at the same time as the United States Congress debated and voted down some moderate and modest amendments to alter America's stance on the problem of climate change and global warming. That represents a lesson for all politicians at home and abroad, and particularly those in the United States Congress and Senate, who on that occasion let their people down badly, having been fooled, or should I say blinded, by misinformation readily supplied to them by industrial and commercial interests.

Unsurprisingly, and no doubt because of Congress and Senate inaction at that time and since, it is the unlikely allies of corporate USA who are now calling for change. American companies large and small suddenly realise that they are trapped inside an environment creaking on its very foundations because of what modernisation and a lack of Government action have created—an environment with a polluted atmosphere that suicidally destroys its own safety by continuously depleting for naked profit whatever rain forests remain. It is a world whose very future is put at risk by the short-term combination of industrial power and financial greed, set against people's needs, welfare and aspirations.

How do we combat the problem? Can we discover another way? Is choice dead? Can we trust business, or is it yet again performing corporate tricks to expand or just to keep its market share? Unfortunately, the truth is not as simple as that, as it is not only Government or business who are to blame, but all of us. Due to our selfish appetites, energy consumption is at its highest ever level and rising, with the numbers of individual electrical devices dramatically increasing year on year. Walkmans, iPods, mobile phones, and digital radios and TVs are standard tools for modern living.

It is not just electronic gadgetry but our style of living that is making things worse. The worst example is that, while the use of public transport world wide diminishes, 26 per cent. of all harmful carbon emissions are linked to the cars we drive. If that were not enough, because of our insatiable appetite for fresh, "exotic" and even ordinary "out of season" food, we are responsible for flying such nutrients in the least fuel-efficient way. Planes produce 19 times the greenhouse gas emissions of trains and 190 times that of ships. We conveniently erase from our intellect the simple fact that it takes 66 calories of fuel to airfreight one calorie of carrot or no calories of orchid to London from South Africa or Singapore. Selfishly and stupidly, we daily develop collective economic amnesia and instead consider the immediate short-termism of taste, price and availability.

Not purchasing modern energy eaters, using public transport more and altering our eating habits are only some of the many ingredients necessary for a solution. Things have already gone too far for the tempering of lifestyles alone to be the leading factor in achieving the necessary change. The urgent development of a series of concise, clear and coherent choices, which are understood and supported by everybody, is also required. That said, I accept, and suspect that the Minister will agree, that it will not be easy for politicians or Governments, but then again representation and responsibility rarely are.

As I stated earlier, being positive is vital. We must not express the view that there are no solutions. Answers are there. It is simply a matter of best managing the present while trying to find them. To that end, we should all try to keep a clear head and to accept the scale of the problems connected with global warming, while at the same time not losing sight of the facts. For example, the natural cycling of carbon in the natural environment is 30 times greater than that released by human activities, and nature's main tool—plant life—is the most efficient, continuously converting solar energy into chemical energy and then releasing it back as oxygen into our atmosphere. Even if atmospheric particulate pollution is taken into account—it was recently identified as being responsible for the strange phenomenon of global dimming—heat from the sun, which touches our planet, is 15,000 times greater than the world's annual use of fossil burn and nuclear energy.

Solutions may be found in any of those avenues of knowledge. In the meantime, a number of practical ways exist to help to ease the current situation. For example, using the knowledge outlined, we should, at the very least, consider why we are today producing more energy than we use and why we fail to conserve as well as we should. We should also establish whether it can be stored safely for longer periods and examine the extent to which alternative methods of creating it can play a role in future energy use and production.

Before examining such questions, it is necessary to consider some of the many different energy options that are currently available, including solar energy, radiant energy from thermonuclear reaction, mechanical energy produced by machines, potential energy from water, chemical energy from molecule reaction, incineration, electrical energy produced by charged atoms, nuclear energy from the splitting of atoms and thermal energy from heated matter.

In our modern environment, most of those energy converters are in operation every day, lighting, heating or cooling our homes and buildings, propelling vehicles and helping mankind to survive and to communicate. Mankind's problem is the maintenance of such energy supplies safely, efficiently and in sufficient quantity. There lies the nub.

At present, most of the available energy production capable of providing the required scale of power either has low efficiency and causes pollution or has other faults such as high costs and safety worries. Improving the efficiency of such energy converters will help, but it will not solve our problems completely; it will merely move them on. For example, obliging car manufacturers to fit vehicles with catalysts substantially decreases carbon monoxide and nitrogen oxide in the environment, but the subsequent release of carbon dioxide, which is a greenhouse gas, affects the environment on a larger scale in the consequential greenhouse effect and what follows is global warming.

At the heart of any solutions, whether in the short term or otherwise, lies the reality that the environment and energy sectors cannot be separated because they are intrinsically linked. Nowhere is that seen more starkly than in the coal sector, which produces more of the world's electrical power than is produced collectively from oil and gas—one third of our power in the United Kingdom, half of the power in Germany and the USA and, frighteningly, three quarters of the power in China.

Contrary to its image, the reality is that that fossil fuel need not be as filthy a fuel as currently portrayed. Modern combustion techniques can both clean emissions and use less coal to reach energy production targets. Indeed, fluidised bed combustion—burning coal on a bed of particulates suspended in flowing air—can capture most emissions. Similarly, pulverised coal used with high temperature burn techniques can greatly increase productivity, while coal burnt with oxygen rather than air can be gassified and transferred to power gas turbines with surplus heat to supply conventional steam heating.

Those cleaner methods are relevant to any solution to global warming, especially when the likely scale of future use of coal by countries such as China and India is considered. At present, such countries are relatively undeveloped compared with other first world nations, but they are beginning to achieve rapid periods of growth for their billions of citizens.

The choice of oil and gas as Earth's long-term alternative fuels is not a realistic option. That will be starkly exposed to United Kingdom citizens next year, when, 40 years after the discovery of gas in the North sea, Britain will become a net importer of gas.

The truth, as I am sure that the Minister will agree, is that today's large-scale world reserves of both oil and gas are estimated, based on current levels, to be sufficient only for the next 40 to 50 years. Many believe those predictions to be generous, particularly as they conservatively give major credit to as yet non-negotiated, non-developed conservation measures. Moreover, they take little account of the fact that such gains would be more than offset by rapid population, production and service growth. What is more, with such finite reserves, it is only a matter of time before huge price hikes occur, especially once fierce competition for them develops in the chemical, agricultural and other sectors. In such circumstances, it is almost certain that oil and gas will no longer be readily available as a primary energy production source, simply because of market economics. In time, that is also likely to be the case with related by-products, such as liquefied petroleum.

I turn to the question of nuclear energy. In addition to the safety worries connected with that source of energy, together with its long-term, ongoing cost, there is, again, a problem with the availability of scarce chemicals. In that case, the chemical concerned is uranium 235, a rare isotope found only in certain types of ore. Based on present usage rates, its estimated lifespan is also less than 100 years. That factor, for the time being, bursts the bubble of the long-term availability of nuclear energy, as expounded by the pro-nuclear lobby.

I accept that there are ongoing research programmes into ways of producing huge quantities of energy from fusion. I am advised, however, that, as yet, the scientific community is unsure about whether that is, or will be, safely possible.

Therefore, there remain only two areas in which solutions might be found to provide sufficient energy production for the future. The first is renewables—the use of energy from biomass, geothermal hydropower, solar, wind and tidal flows. The second is the as yet undeveloped hybrid technologies such as methane hydrate extraction, although leading scientists predict that there will not be much immediate practical progress in that area for some time to come.

As the Minister will be aware, our planet has an abundance of natural resources capable of generating energy via the use of renewable sources—wind, hydro, co-firing biomass schemes, tidal technologies and incineration. However, the reality is that, as we attempt to drive forwards a low-carbon economy, the current energy production technologies in those areas dictate that those sectors are not collectively capable of delivering the majority of our energy needs. The role of those sources will remain, for the foreseeable future, as a secondary, although important, part of a balanced, diverse energy mix.

Cleaner energy is vital to any strategy that aims to combat global warming, and should be included, especially when one realises the amount of electricity

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that even comparatively small hydropower stations, offshore wind farms and co-firing biomass plants can contribute. Solar power, influenced especially by architectural and spatial planning processes, can also be an important contributor, as can tidal flow technologies.

Last, but not least, the vexed question of waste incineration offers a great deal, especially in relation to recycling and the problems of generations of landfilled waste, which is leaching gases into the atmosphere. However, before large-scale development of that sector can take place, there will have to be major development of purification processes.

Based on such knowledge, we can clearly identify the problems facing mankind. First, the reality is that global warming is occurring due to human activities. Secondly, most current sources of energy are likely to be finite. Thirdly, the world's biggest polluters seem intent on not pursuing a collective approach and, fourthly, the Kyoto protocol represents only one small step in the right direction.

As I have indicated, many as yet undeveloped hybrid technologies and structural theories are currently in their early experimental and/or theoretical stages—there are far too many of them to discuss today. However, even those in today's scientific community who are most optimistic are generally of the opinion that any major energy discovery—enough to take the place of what we are running out of at present—is too far ahead for future generations to rely on. We therefore have no alternative. We must discover new sources while at the same time conserving present reserves and using them in a way that will not worsen the damage that has already been done.

Such aims lay at the heart of the IPCC process, so the question must be asked as to whether the latest conference of the parties, which was held in Buenos Aires in December, was a success. Being honest, I must admit that it represented a mere tap dance on the international dance floor rather than the vigorous south American tango for which all of us attending had hoped. Neither my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs nor the Minister for the Environment and Agri-environment should find any personal criticism in what I am saying. I know how hard they worked to get an agreement. For instance, both of them were involved in achieving agreement to allow the negotiations to continue. Compromises were reached only after lengthy discussions—36 hours after the conference had finished and following two all-night negotiating sessions.

Of course, particularly troublesome were the representatives of the United States and several major oil-producing nations, which tried extremely hard to scupper progress. That factor bodes ill for the international community, as it flies in the face of President Bush's promises in 2001. He said that, although America was withdrawing from the Kyoto protocol, he personally would not obstruct other countries trying to reach agreements. Clearly, the United States has been jolted by its miscalculation of global energy economics and, in particular, by Russia's decision to ratify. Because of that, it has decided actively to adopt a significantly different and more aggressive strategy that is geared mainly to the sabotage of any further development of international measures, at least until such time as it can guarantee its vast energy needs.

I do not make such criticism lightly. Examples of the USA's attitude at the conference of the parties were many. For instance, Chairman Raul Estrada Oyuela's proposals to hold a series of meetings in the next year to prepare the ground for talks were vigorously opposed at every turn by the USA contingent, which argued that there could be only one meeting and that no ideas that examined future scenarios should be tabled at such a conference. It even objected to a mention in the proposed conference description of the need to tackle global warming and argued instead for the phrase "adapting to it".

Even more stark and very worrying indeed was the delegation's support for the demand from Saudi Arabia that oil-producing nations should receive billions of dollars of compensation from the rest of the world if they sold less oil. That was an astonishing proposal, especially when one recalls the "good faith" purpose contained in the Kyoto protocol agreement by first world nations and the substances that have been found to be largely responsible for the need for such a protocol. Those of us who care about the environment know about the destruction, poverty, famine, death and misery that have been caused by global warming and climate change, the worst effects of which are felt most by those least able to cope with them. I mentioned some of those earlier. I was pleased that the Secretary of State gave assurances last week during Environment questions that the Government had no truck with deals such as that which I have just described.

Thankfully, agreement was eventually reached in Argentina to hold the next meeting in May 2005. It will give more sensibly minded politicians another chance to work towards finding a global solution.

In conclusion, I congratulate the Government and the Minister on the work that they are doing to deliver our commitments—and more—on Kyoto, in particular the decision to launch an extensive and open consultation on the nation's climate change programme and to build towards the Government's goal of reducing carbon dioxide emissions by 20 per cent. below 1990 levels by 2010. I also congratulate them on their support for the Carbon Trust, their agreement to give financial and other support to environmental improvements in our society and their encouragement of the EU emissions trading scheme, which is an important step towards a co-ordinated approach to tackling climate change. I hope that it will one day be extended beyond the 45 per cent. of industry that it currently covers and will move from being an EU-only scheme to a global one. I say that because it is important that we bring other industrial sectors into the emissions trading scheme, in particular the transport sector.

I also welcome the Government's leadership in Europe in pressing to include aviation emissions in the scheme from 2008, as I welcomed the UK aviation industry's pressure on all airports and airlines across the EU to support emissions trading for aircraft emissions. Last but not least, I praise the Prime Minister's own commitment, shown by his decision to put the Kyoto agreement, global warming and consequential climate change at the heart of his chairmanship of the G8.

10.15 am

Norman Baker (Lewes) (LD): I welcome the fact that the hon. Member for Mansfield (Mr. Meale) secured a debate on global warming and climate change, but I am disappointed that so few Members are here. Given that, according to Sir David King, the issue is the most important of all, including terrorism, one would have thought that the turnout would be better. I know that the debate was arranged late; nevertheless we in the House need to take a more serious and consistent approach to the matter across all parties than sometimes appears to be the case.

I agree with most of the hon. Gentleman's analysis on the science of climate change. There is no doubt that climate change is with us. Those of us who saw the excellent "Horizon" programme on global dimming last week will be even more depressed than we were when we started watching the programme. In terms of the effects of climate change kicking in, it may be early days, but it seems to me that, as far as we can tell, the projections of its consequences tend to be understated by scientists. There must be a real danger that we will reach a runaway situation in which it is impossible to retrieve the position. That is why radical action is needed early by, in particular, all countries in the industrialised world. Action must also involve developing countries and as I will explain shortly, that can be done.

I concur with the analysis of the WWF and others that there is a 2° tipping point: we must not allow average temperatures to rise more than 2° C above pre-industrial levels. I ask the Minister whether he shares that analysis or whether, as has been suggested, the Government are adopting a policy of a 2° C barrier above 1990 levels. Does he agree that we need to measure that variance from pre-industrial levels?

As this is such a serious issue, I will not indulge in party politics, except to say that I have concerns about the tactics being adopted by the Government in their diplomatic discussions with EU partners, the US and others. I do not dissent from the analysis that the Prime Minister has made in his speeches on climate change. I welcome the fact that the Government have adopted climate change and Africa as the key issues on which to make progress during our G8 and EU presidencies. That position is absolutely right and nobody can dissent from it.

I wonder, however, whether the tactics that the Prime Minister is adopting, in particular towards the US, are right. I want to explore that issue in the time available. I wrote to the Foreign Secretary on 2 December. It was a joint letter with my right hon. and learned Friend the Member for North-East Fife (Sir Menzies Campbell), the Liberal Democrat shadow spokesman on foreign affairs. I am pleased to say that we received a long, detailed reply on the matter from the Foreign Secretary. In our letter we said:

"It seems to us that there are two possible strategies to deal with"

the US position on climate change.

"One is to assume that the US still needs to have the science proved and to spend much of our capital getting them to sign up to the science, but then probably little else. That of course would be a step forward, but a limited one if it were not accompanied by a commitment on the part of the US to cut emissions.

The second strategy is to assume that the US does privately accept the reality of climate change, and to spend our capital on trying to bring them in principle into negotiations for a post-Kyoto arrangement, perhaps based on contraction and convergence, which meets at least one of their objections, namely that the Kyoto excluded developing countries. This would provide a greater sense of urgency, which is badly needed, but is it too far for the US? Does the FCO believe that contraction and convergence is the way forward?"

In a letter dated 11 January—so it is quite recent—the Foreign Secretary replied that the UK aims to use the presidency of the G8

"to build on a solid foundation on the science to promote greater understanding of the size and scope of the problem of climate change"

and

"to reach agreement on a process to speed up the science, technology, and other measures necessary to meet the threat".

That is unobjectionable in itself, but it sounds as though the Foreign Secretary is opting for the first option of making slow progress with the US on the basis that nothing faster can be achieved.

It is clear that we have a problem with the Bush Administration on climate change; everyone accepts that. It is also clear, however, that other parts of the US are making good progress, whether it is the north-eastern states that want to engage in emissions trading and have consulted the Department for Environment, Food and Rural Affairs for advice, what Arnold Schwarzenegger is doing in California or what US business itself recognises to be in its own interest. Clearly, there are progressive elements in the US that can be mobilised and will eventually lead to a change in response from the White House Administration, whatever that Administration are. However, that may not happen for some time.

What should be our response to the Bush Administration's intransigence? One response, the one that I favour, is to say that Kyoto is now in place. We have finally got the Russians on board and the treaty takes effect in February, in the teeth of US opposition and determined efforts by the US to scupper it before it comes into force. The US has failed and we have won on that: Kyoto is coming into force. Given that, we must now ensure that Kyoto works, build on it and build around us a coalition of willing partners, including not only the EU but Russia and others, who are prepared to take forward the Kyoto process, based on emission cuts and targets. Targets are essential in that process. We cannot survive without targets and a system for measuring what we are doing to find out whether we are on track. Aspirations, good wishes and voluntary agreements are not sufficient in the face of the challenge that the hon. Member for Mansfield set out and the changes to our world, which are taking place at a rate of knots. I want to see firm direction.

The way to bring the US on board is for us to make Kyoto work, for the industrialised world to go ahead without America, and for America to learn that it has to catch up and join the process. That is what needs to happen: the firm and effective introduction and implementation of Kyoto by willing partners. That is the message to the US. That is not to say that we should not talk to the US; of course we should. We should also encourage the US where we can do so. There are technological developments that the US Administration support. Of course we must work with them on that and see what we can gain from technological advances.

[Norman Baker]

What we must not do is bring the US on board at any cost, and I fear that that is what the Prime Minister is trying to do. I am making a serious point to the Minister. I am not trying to score a party point; this issue is too serious. I understand why the Prime Minister wants to bring the US on board. How wonderful it would be if he could produce an agreement during our presidency of the EU and the G8 and say, "I have got the Americans to agree to this. I moved them forward. Here is a piece of paper that we have both signed." It would be great if he could get such a piece of paper, but it must not be a Chamberlain piece of paper that he and President Bush have signed.

I fear that the US is giving nothing but is using the Prime Minister cynically to try to wreck Kyoto from the inside by trying to have the targets abandoned. It is giving the Prime Minister the message that if only the targets could be got rid of and things could be watered down a bit, it might come on board. I think that the Prime Minister is undermining Kyoto, not deliberately of course, but, in effect, that is what is happening in his negotiations with the Americans. I do not say this with any pleasure, but I think that he is showing dangerous naivety in his diplomacy with the US. All the lessons from Iraq and everything else in recent years show that the Prime Minister gives a great deal in this one-way street of a special relationship and gets very little back from President Bush. President Bush does not negotiate as other people do; he gives nothing back. The Prime Minister is a decent person; he expects a bit of give and take. He is giving a lot and getting nothing back, and he needs to understand that. Unpleasant as it may be, the way to get the US on board is to show that Kyoto is working and to proceed on that basis. Eventually, the US will come back.

Mr. Meale: On the radio this morning, someone said that President Bush's second term would probably be "Bush on steroids", which is a bit frightening.

The hon. Gentleman did not mention the support that we can give to partners adjacent to the US, especially Canada and Mexico, which have been very helpful. Does he think that we should concentrate much more effort on giving them the support that they need at this sorry time?

Norman Baker: I certainly do. We should also support those elements within the US, whether business or individual states, that show a willingness to understand the need to take urgent action to deal with the appalling reality that we now face.

I raised the issue of diplomacy because it is clear from the minutes released—or leaked—from the Council of Ministers that the British Government supported amendments in the Council to remove references to the EU cutting 50 per cent. of carbon dioxide emissions by 2050 compared with 1990 levels. I have been handed a copy of the minutes. There is no doubt that the Government supported those amendments—

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): Will the hon. Gentleman give way?

Norman Baker: I will in a second.

Yet when I asked the Secretary of State for Environment, Food and Rural Affairs about the matter in the House she said that she was absolutely committed to the 50 per cent. target; there was no question of watering it down, abandoning it or resiling from it. That seems to be at odds with the Council minutes.

Mr. Morley: It is not. There is a firm commitment to targets in those minutes. The only issue is the actual figure, and we want, first, to encourage those EU members who have doubts and worries about signing up to challenging targets; secondly, we want proper scientific evaluation and cost-benefit implications, so that people can make informed choices. The Commission is working on that and does not report until the end of this month. I made a speech in the Council on behalf of the UK making it clear that it was essential to have challenging targets to which members of the EU must sign up.

Although the hon. Gentleman is right about the need to encourage the US and to demonstrate that Kyoto can work, he has no evidence from those minutes. Greenpeace, about which I will say more later, knows very well about tactics. I assure the hon. Gentleman that our commitment is firm and unwavering; there is no evidence to the contrary. We want to work with, and encourage, the US. As the hon. Gentleman rightly says, when we can co-operate in technology and science we will do so, and when we can go further in relation to American states we will do that, too.

Norman Baker: We must work with the US, but we must not do so by watering down our position. That is what I fear the Government are doing to get the US on board, which is a fundamental diplomatic error.

Mr. Morley: It is not.

Norman Baker: The Minister says that it is not, but the British Government moved that the phrase

"substantial reductions by up to possible 50 per cent. by 2050 compared to 1990 levels"

be removed.

Mr. Morley: I want to make it absolutely clear that the decision on targets has not yet been taken. The discussion in the committee of officials was not about determining a target, but about the future in relation to agreement within the Environment Council, which will take place in the spring. It is not removing the figures; it is part of a process, a matter of when we put in the figures and what the figures are. In relation to scientific assessment of the 2°, the figure may be more than 50 per cent.

Norman Baker: Time will tell. If the Minister achieves that figure, I will be happy. I can only tell him that it was proposed that the phrase be removed, which shows the Government's attitude. The Government also proposed that the commitment to between 60 and 80 per cent. reductions be replaced with the phrase "significantly enhanced reduction efforts." That is not very detailed.

Greenpeace is aware of the Government's negotiating skills and their approach. Since we released the minutes, Stephen Tindale has said of the Prime Minister:

"He thinks that getting the US to sign-up at any cost can be spun as an historic achievement, but it's classic Blair—appearance trumping substance. He's undermining the progressive position of the EU and reneging on promises he simultaneously boasts about."

That is his analysis.

Mr. Morley: I want to address this point because it is complete and utter nonsense, and Stephen Tindale knows that. What shred of evidence is there that the UK wants the US to sign up at any cost? It is the UK that has driven forward the Kyoto agreement and worked ceaselessly to get Russian ratification. It is the UK that has been arguing for binding and meaningful targets, not empty gestures and rhetoric.

Norman Baker: Time is limited, but I can say that it is the UK that has proposed these amendments to the minutes and negotiated with President Bush over Iraq, giving everything and getting nothing. With respect it is not the Prime Minister who has been dealing centrally with this issue but other Ministers, such as the Foreign Secretary and the Environment Secretary, who perhaps understand diplomacy better. I fear that the Prime Minister, having now put his fingers into this, does not understand how best to approach the matter diplomatically. That is the issue.

Now, if the Minister tells us that all will become fine during the spring Council—that there will be splendid targets, that the position will not be watered down and that the US will be brought on board—I shall be very happy, but the Prime Minister must not make the historic mistake of getting the US to come on board at any cost. That is the message that I want to give the Minister today.

10.32 am

Mr. Robert Key (Salisbury) (Con): This Government have spent eight years pandering to popular prejudice and patronising the public. The more they have established citizens' juries, focus groups, stakeholder forums or consensus conferences, the more we have seen the public disengaging from the real processes of democratic policies. The Government may think that that is participative democracy, but it has allowed them to say one thing and do another. Therefore, I am grateful to the hon. Member for Mansfield (Mr. Meale) for his tour d'horizon, which gives us the opportunity to look both at the record and to the future.

Speaking of saying one thing and doing another, what the Minister has just told the hon. Member for Lewes (Norman Baker) will not wash. It is as clear as mud. Although the Minister said that the Government were not removing the figures, that is precisely what they were doing. When they sought to delete from the draft spring 2005 European Council conclusions 21 words that would secretly change policy on global warming and climate change—in the UK and throughout the EU—they were tampering with 21 words that could literally change the world. I hope the Minister will explain to an astonished world what on earth the Government were up to in Brussels. The explanation that he has given so far is completely inadequate.

Labour has been all talk on the environment. The Prime Minister personally committed himself and his Government to leading the march towards a more sustainable world. In the 1997 Labour election manifesto, he promised to go beyond the Kyoto commitment of a 12.5 per cent. reduction in greenhouse gas emissions and set a target of a 20 per cent. reduction in CO_2 emissions by 2010. A further goal was set: a 60 per cent. reduction in CO_2 emissions by 2050. In 2004, the Prime Minister reaffirmed his commitment to

"the single most important issue that we face as a global community".

However, in December 2004, the Government admitted that, based on current policies alone, the UK will not achieve the 20 per cent. reduction target by 2010. Instead, current policies are likely to lead to a reduction of around 14 per cent.

Therefore, since coming to power in 1997, Labour has failed to deliver any measurable reduction in carbon emissions. In fact emissions rose in four of the first six years that Labour was in power. Interestingly, Conservative policies achieved a 7.3 per cent. reduction between 1990 and 1997. Carbon emissions in the transport and household sectors, which account for around 40 per cent. of the UK's emissions, are expected to grow.

Labour has let the country down on sustainable development. Even the green movement—at least 5 million citizens in the United Kingdom—has now declared war on the Government. The executive director of Greenpeace, Stephen Tindale, declared in November:

"So far Blair's record on climate change is almost entirely a record of fine words and no action."

The Government have failed to resolve the energy crisis resulting from the decline of indigenous energy supplies and increasing reliance on imported gas. Energy production from coal-fired power stations has increased since 2000 and now represents about one third of electricity production. Between 1997 and 2000, Labour blocked the construction of 15 gas-fired stations, which would have cut CO_2 emissions by 5.5 million tonnes a year.

The Government have also failed to deliver on renewable energy. They set a target for 10 per cent. of overall energy use to be renewable by 2010, but it now stands at 3 per cent. They have put all their eggs in the wind farms basket and alienated many local communities, which have been bypassed in the planning process. They have neglected to stimulate the growth of other renewable technologies, such as tidal and wave power, in which Britain should have an obvious natural advantage. Even the Prime Minister revealed his own nimby instincts when he opposed a wind farm in Sedgefield.

Labour has failed the combined heat and power industry miserably. The target of producing 5 GW of energy by 2000, which was set by the Conservative Government in 1993, has only just been reached. Combined heat and power output fell between 2000 and 2003, and 64 CHP plants have been mothballed.

The Government have broken their pledge to assist the most vulnerable in eliminating the blight of fuel poverty. They have even reduced insulation standards in social housing, causing extra CO_2 emissions and leaving nearly 2 million people in cold homes and fuel poverty.

[Mr. Robert Key]

The Government have piled unnecessary tax burdens and regulations on business, while failing to provide incentives to improve environmental performance. According to the CBI, environmental regulation costs business £4 billion a year in compliance. The CBI has also criticised too much environmental regulation as being

"badly designed and poorly implemented."

The Government have alienated the business community by failing to provide certainty and a secure framework of targets and objectives for long-term investment. The business community does not deny that it has a role to play but, if the targets and objectives are not clear, it is bad for everybody. Industry has looked for transparency, long-term certainty and fairness but has suffered from delay, vacillation, incoherence and short-termism.

The Government's notion of a green transport strategy is also called into question, because it seems to consist of trying to tax people out of their cars. Fiscal support for alternative fuels and cleaner cars has been so limited that the greenest fuels and cars still have less than 0.2 per cent. of their respective markets. Meanwhile, aviation emissions have risen by 85 per cent. since 1990 and are set to double again by 2020.

The Prime Minister has committed his Government and himself personally to lead the march towards a more sustainable world. He played a leading part at the United Nations Rio plus 5 conference in 1997, which led to the Kyoto agreement, and again at the world summit on sustainable development in 2002. Last April, he reaffirmed his commitment to, in his own words,

"the single most important issue that we face as a global community".

In a speech on climate change last September, he said that timely action to cut carbon dioxide emissions was essential to "avert disaster." During the speech, he cited the Royal Commission on Environmental Pollution's report and the need to reduce emissions by 60 per cent. by 2050, and stated:

"We are committed to this change."

However, the latest prediction from the Department for Environment, Food and Rural Affairs is for a reduction of about 14 per cent. in CO_2 emissions by 2010 on the basis of current policies. According to DEFRA's estimated emissions and removals of greenhouses gases on an IPCC basis, carbon emissions have risen for four years out of Labour's six years in power from 1997 to 2003, and emissions are 100,000 tonnes of carbon higher for the latest period for which figures are available than when Labour came to power. That is largely due to the continuing increase in the use of coal for electricity generation. Last February, the Government revealed that carbon dioxide levels had jumped by 1.5 per cent. over the previous year.

Then we have seen the spectacle of a feud between DEFRA and the Department of Trade and Industry, involving the intervention of the Prime Minister, which has caused an unnecessary delay in the submission of our national allocation plan for the European emissions trading scheme, which started on 1 January 2005. A new plan was submitted requesting a more generous allowance in October 2004, but then the Prime Minister stepped in on the side of the DTI, which argued for a more generous base allocation. Meanwhile, the Commission has approved allocations for 9,108 installations in 21 member states, representing 4.6 billion tonnes of carbon dioxide over the period 2005–07. The Government have thus subjected business to delay and uncertainty. Will the Minister please explain to us what on earth they are up to in this row between DEFRA and the DTI over the national allocation plan?

Norman Baker: The Liberal Democrats do not support the more generous allowance that the Government have applied for. Will the hon. Gentleman tell us what the Conservative position is?

Mr. Key: Yes. We want to know what the Government's position is. *[Laughter.]* If the hon. Gentleman will listen for a moment, he will understand where we are coming from.

On 16 January, *The Observer* revealed that the Government were secretly trying to have key commitments to long-term targets deleted from European documents. We have discussed those already. There is no doubt—I have the document in my hand—that the Government sought to delete the words:

"developed countries' will need to reduce their aggregated greenhouse gas emissions by up to 60–80 per cent. by 2050 compared to 1990 levels".

For the Minister to say "It is not removing the figures", which were his exact words, is frankly absurd. Will he take this opportunity to own up to that blunder and stop trying to pretend that Greenpeace knew all along exactly what the Government were doing and understood the Government's tactics? He must do better than that.

On 14 September 2004, the Prime Minister made a keynote speech on climate change, in which he reiterated that this was

"the world's greatest environmental challenge"

and said that it would be a "top priority" for Britain's presidency of the G8. He highlighted the three key parts of the Government's G8 strategy:

"First, I want to secure an agreement as to the basic science on climate change and the threat it poses. Such an agreement would be new and provide the foundation for further action.

Second, agreement on a process to speed up the science, technology, and other measures necessary to meet the threat.

Third, while the eight G8 countries account for around 50 per cent. of global greenhouse gas emissions, it is vital that we also engage with other countries with growing energy needs".

So say all of us. However, it is notable that climate change or global warming did not feature in the Prime Minister's 2004 Labour party conference speech, and domestic measures to tackle this global problem did not form any part of his 10 priorities for a third term of Labour Government.

The Minister has implied that he did not think there was much in my comment about the environmental groups declaring war on the Government. That is certainly not true of Greenpeace, because Mr. Tindale said in *The Independent* in November 2004 that Mr. Blair's reheated, tub-thumping speeches on the world stage were undermined by his failed record in Britain.

Tony Juniper, executive director of Friends of the Earth, pointed out that there was a gaping gap between the Prime Minister's rhetoric and leadership on the world stage and his record in the UK:

"The leadership position of this country is jeopardised by the position at home."

He went on:

"The credibility of this country on climate change is essentially derived from the policy choices taken by the Conservatives in the 1980s when they decided to shift from coal to gas generation".

Charles Secrett, former head of Friends of the Earth, who now heads Active Citizens Transform, said that Mr. Blair was

"all talk and no action".

He went on to say:

"Blair thinks he can get away with boosting his green credentials by making a big speech every year on climate change. It's always about the grand scenario and when it comes to putting his own house in order it is always business as usual."

I pay tribute to the Government's chief scientific adviser, Professor Sir David King, who will be retiring far too soon for our liking. In a recent interview, he talked about the imperatives for action and warned that measurements of atmospheric CO_2 taken at the Mauna Loa observatory in Hawaii and published earlier this year showed that, while carbon levels had increased in recent years by an average of 1.5 parts per million annually, in 2002–03 the increase was more than 2 parts per million. Levels have risen so much that, according to Sir David:

"This is taking us up into relatively dangerous levels of CO_2 for our planet."

Anyone who is sceptical about the concept of climate change should listen to Sir David King. They do not need to look further than the Thames barrier. It was built to protect London from catastrophic floods and was used six times a year, not once every three to five years as planned. Sir David said:

"It's a damned good thing we put it up. A flood would knock out the City of London and cost about £30bn."

Quite so.

What would we do instead? Where are we coming from on this? We believe fundamentally in conservation of the past and preservation for the future. We have always supported the dual concepts of citizenship and duty as related to environmental stewardship and protection of the environment and countryside. Environmental goods and services are a common advantage and present generations should save and enhance such benefits for the good and security of future ones.

Conservatives do not see environmental protection and economic growth as mutually incompatible. We believe that market mechanisms can achieve sustainable development. We believe that excessive regulation may be bad for business but that targeted taxation and fiscal measures that provide industry with a long-term framework for investment are more likely to deliver environmental benefits. We support the proximity principle, which encourages localised decision making and local procurement. Local sustainable communities require and deserve more local empowerment and more local autonomy in decision making, such as over planning decisions.

We uphold the polluter pays principle. We acknowledge that pollution costs and hence we support life cycle costing—the internalisation of environmental costs in design, production, construction and operation. If products included the cost of pollution in their production, the marginal social cost would be higher. Thus, if all goods and services had to internalise their external environmental costs, only those most environmentally sensitive should succeed within the free marketplace. We would devise a policy framework to incentivise responsible consumption or the purchasing of environmental goods rather than environmental bads. The consumer should be able to make environmentally sensitive choices. Therefore, we support clear and coherent labelling of products to indicate the environmental consequences of design, production and distribution.

Conservatives are fully committed to the Kyoto process and the 2050 target for a 60 per cent. reduction in carbon emissions. We will pursue policies in government to achieve a 21st century world of resource efficiency and sustainable consumption in order to achieve climate stability.

Any Government must have the courage to consider all the options. They must look at scientific evidence, not scaremongering, for their policies. They cannot afford to resort to easy attention-grabbing fixes. To deal with climate change, Britain must become a low-carbon economy. It is the only option and we are committed to achieving that goal.

10.48 am

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): If the hon. Member for Salisbury (Mr. Key) wants to bandy quotes, I can give him a few of my own, but that will not take us very far. I will come back to his points.

First, I congratulate my hon. Friend the Member for Mansfield (Mr. Meale), who attended COP 10 and made a useful contribution to the discussions organised by the EU in the pavilion. I am glad to say that they were extremely well attended.

I also welcome my hon. Friend's incisive dissection of the climate change sceptics, who have done much damage by arguing against the whole concept of climate change without the slightest analysis of the evidence. They should know better. Michael Crichton is a very good writer, but I am not aware of his qualifications in climate science. Those sceptics do not seem to take into account the international consensus of the international panel on climate change, which involves large numbers of scientists from all over the world. Those sceptics really are the flat earth tendency and are becoming increasingly isolated as our knowledge and understanding of climate change science increases.

Global warming is a reality. The scientific evidence for that is overwhelming and we need to take action to deal with it, while increasing our understanding of it all the time.

My hon. Friend is right: there is a role for clean coal technology. He is right to point out that the UK receives a third of its power from coal, and we cannot simply wipe out coal burning power stations through the use of gas. We must have a balance of energy. We also cannot deny the fact that emerging economies such as China

[Mr. Elliot Morley]

and India will utilise their coal reserves. There has to be development of the science of clean fuel technology. There is a role for biomass, energy from waste and biogas.

I agree that the Kyoto process is very much the first step and there is much more to be done. We need to look beyond Kyoto, particularly for the second commitment period. That is why my hon. Friend was absolutely right to say that the outcome of COP 10 was very important. It was bitterly contested. It is certainly true that there were countries there that did not want to have the seminars. They did not want to start considering future commitments or even to talk about them. The seminars are intended not to create binding agreements or as a place to conduct negotiations, but to allow us to start to examine the steps that we need to take concerning the work that needs to be done.

The opposition from countries such as the oil-producing states led by Saudi Arabia was a complete and utter disgrace. There are few countries as well placed as Saudi Arabia to adapt to the sort of changes that will come with a low-carbon economy. With the best will in the world and the fastest technological advances, there will still be enormous demand for oil. That country is extremely well placed and its position was completely destructive, negative and irrational. I was also disappointed with the position of India, which has a good grasp of the implications and the science of climate change. We are working closely with India, but it must recognise that no one will escape the consequences of climate change, rich or poor, large or small. We must deal with it.

Regarding the comments of the hon. Member for Lewes (Norman Baker), I can say straight away that we recognise that the 2° C figure being discussed is in relation to the pre-industrial level. There are scientific issues that must be examined. We need to discover whether 2° C is the tipping point—that is not absolutely certain. We believe, however, that 2° C is a useful target to work with, even though there may be some doubts and there may be some acceleration of carbon intensity in the atmosphere. Nevertheless, it is an important commitment and the science conference that the UK is sponsoring in February will consider stabilisation of greenhouse gases and the long-term consequences of that. It is a helpful way of using proper scientific analysis in determining the right way forward.

The hon. Gentleman mentioned the question of tactics in dealing with the US and the December Council. I want to make something absolutely clear to him and to the hon. Member for Salisbury about the leaked minutes It has been ignored that, within them, there was a clear commitment to targets—this is the problem when people leak bits of minutes. The commitment was written in the minutes. What was under discussion was whether a figure should be put to the December Council or the March Council. It is as simple as that. There was no intention of removing any figure because a figure will have to be agreed. The UK understands that, and one of the reasons that we are acknowledged as a world leader on climate change is the quality of our science: we approach things in a methodical way. Incidentally, that also means that sometimes we may have to adjust our figures in the light of new findings and new understanding.

We want to encourage some EU member states that have just gone through the national allocation plan process and feel rather bruised by it. The last thing that they wanted to do in the December Council was start talking about major new commitments. We want to prepare the ground for that by reassuring people that we can have challenging targets without destroying our economy. That is our belief and what we have signed up to, and we are keen to have challenging targets for the whole EU.

Norman Baker: The Government amendment to delay the targets was not carried, so the majority of the European Union does not take their view. The DEFRA spokesman who responded to the leaked minutes said that they did not want to use a figure "plucked out of nowhere". Why is a figure of 60 per cent. for the EU "plucked out of nowhere"? The Secretary of State for Environment, Food and Rural Affairs apparently said last week that she would not resile from a 60 per cent. figure in any circumstances.

Mr. Morley: That is absolutely right. We are committed to our figure. We have made the decision in relation to our own circumstances, and we are keen to see figures of that order in relation to long-term commitments for the European Union. The figures may need to be greater, given what we know about carbon intensities and the link with that, but what the hon. Member for Lewes said is wrong. The UK position was accepted in the December Council and supported by countries such as Germany. Is he saying that the Germans are trying to do some sort of deal with the US? Is that his argument? The Germans were wholeheartedly in support of what the UK was saying at the Council. In fact, there were no dissenting voices from any country to what the UK was saying in the December Council. Does that mean that the whole EU is signed up to do some deal with the Americans? What the hon. Gentleman is saying does not make sense.

With the greatest respect to Stephen Tindale—I have a great deal of admiration for what he has done—he is ignoring reality. I met the non-governmental organisations at COP 10 to explain exactly what the UK position is. We have been open about it. I cannot remember whether Greenpeace was in that NGO delegation, but there is no sense in what the hon. Members for Salisbury and for Lewes are saying or in the allegations from Greenpeace. I simply say that we are committed to challenging and binding EU targets. He will have to wait for the outcome of the spring Council, but we shall seek to ensure that those targets are based on firm science and meet the objectives that we want, and we shall seek to convince people who may have doubts about that.

I am disappointed that the hon. Member for Salisbury was reading his central office brief, because I have a bit more respect for him than that—it was utter fantasy. It was in the same category as a party that claims that it can cut taxes and increase public spending. The idea that we have not spent money on renewables other than wind is complete nonsense. We have committed £50 million to developing marine

renewables, for example, which is £50 million more than the Conservative Government committed. Where does the idea that the Conservatives did brilliantly by reducing greenhouses gases by 7.3 per cent. come from? They have reduced by 14 per cent. under this Government—a far greater increase.

It is claimed that renewables are only at 3 per cent., but we have a commitment to 10 per cent., and renewables were at less than 1 per cent. under the previous Government, with no commitment and no programme to take them forward. I shall take no lessons from the hon. Gentleman, given the record of the Conservative party, which inhabits a fantasy world in terms of what can and cannot be done and which cannot demonstrate anything apart from reducing greenhouse gases by wrecking the economy. We have reduced greenhouse gases by 14 per cent., with 35 per cent. economic growth. When he can demonstrate a similar record, I may take seriously some of the nonsense that he stated this morning.

Water and Sewage Utilities (Regulation)

10.59 am

Dr. Vincent Cable (Twickenham) (LD): I am pleased to introduce the debate. It is a short debate rather than a one-and-a-half hour one, so I shall focus on a narrow aspect of the problem with the regulation of water and sewage utilities which is of particular interest to my constituency. It relates to sewage works. There is one very important and controversial establishment in the neighbourhood at Mogden. As it happens, Mogden is just across the border from my constituency, in that of the hon. Member for Brentford and Isleworth (Ann Keen), who has also been active on the issue. It is in the borough of Hounslow. However, the problems that it generates are shared by my borough, Richmond.

The issue is a long-standing one, but its seriousness—or, at least, the public perception of its seriousness—has grown. The plant was built 70 years ago. No doubt it was, in its day, state of the art and effective. Several things have changed. Technical standards have moved on to a much higher level. When new sewage works are established, as one was in Reading recently, they are fully covered. The environment is completely different. When Mogden was established in the 1930s, the population of south-west London was much smaller, and the pressure on Mogden's equipment and facilities much lower. It was built in a largely greenfield area. I have photographs from the 1930s of the rugby union stadium, which is just across the road from Mogden sewage works; it is surrounded by fields and orchards. My house, which is about half a mile from the sewage works and rugby stadium, is a 1930s semi that was built in a largely rural area, which is now heavily built-up. In the last few decades in particular, thousands of homes have been built within a few yards of the establishment.

Consequently, public exposure, particularly to problems of odour, has become much more acute. In the last three to four years, there has been considerable growth in public anxiety, frustration and, in some cases, anger about the environmental problems presented by the Mogden establishment. What seems to happen is that, particularly at times of heavy rainfall, the plant does not have the capacity to handle the volumes of sewage that it receives. There are potent and unpleasant smells hanging over large areas, depending on the prevailing wind. That has become a significant source of concern for thousands of people across south-west London.

Perhaps I can break the concerns down into several specific points. The first relates simply to the smell. It may seem self-evident that the smell of sewage is unpleasant, but it was not until I read a helpful document from the Department for Environment, Food and Rural Affairs, a consultation on a draft code of practice, that I realised that there is much more science involved than I had appreciated. Smell consists of several different elements. First, there is the concentration of gases. With sewage works, that means hydrogen sulphide, ammonia, methane and various other complex gases. Secondly, there is the intensity of the smell. I had not distinguished those points, but intensity is not the same as concentration. As the atmosphere becomes more heavily concentrated, the intensity of its impact on people rises exponentially. There is a logarithmic relationship.

[Dr. Vincent Cable]

Thirdly, there is an interesting concept called a hedonic scale. Scientists who deal with odour have constructed the scale, which ranges from plus four for a very pleasant smell, such as a bakery, the example that is given, to minus four, which is for the very unpleasant smell that one would associate with rotting flesh. Scientists have constructed a scale that enables smell to be measured qualitatively as well as quantitatively. Odour pollution from sewage is clearly at the bottom end of that scale. The point that emerges from that is that smell is not simply subjective. It has an objective base, though measurement is difficult and complex. That is one of the problems involved in regulation.

However, stench is not the only problem. Another problem that we have become aware of in the last few years is that of mosquito infestation. Until recently, Thames Water, the owner of Mogden, denied categorically that there was a problem associated with mosquitoes. It used to blame the residents for scaremongering and told them that the mosquito problem arose because of standing water in people's gardens. On the basis of consultancy studies, Thames Water has now acknowledged that the sewage works generate a problem and, moreover, that there is potentially a serious health hazard. There are growing worries among environmental health officers and people concerned with public health that British mosquitoes can now serve as a vector for quite dangerous tropical diseases. I know that the Department of Health and local primary care trusts have carried out some serious scientific investigation into the extent to which the mosquito infestation could be a serious hazard in relation to diseases such as West Nile disease.

The third problem at Mogden, after the problems of odour and mosquitoes, is that of sewage overflow. Increasingly, at periods of high rainfall, raw sewage is being washed into the River Thames. That does not directly affect my constituency, but is a matter of great concern to people living along the Thames. Raw sewage in the river causes great damage and loss of life to fish and other river-borne life forms, as well as creating an unpleasantly polluted environment for people, such as canoeists and sailors, who use the river for pleasure purposes. That is becoming a substantial issue.

The question therefore arises of how those various problems are being tackled, and the extent to which the regulatory framework is adequate to deal with them. I shall introduce that point by running through the sequence of events that have occurred over the past few years, which partly reflects the growing frustration.

A few years ago, a residents action group was established, and that has brought to a head the political activity in the area, enlisting support from local MPs and councils to bring pressure to bear on Thames Water to take action. About 18 months ago, there was a visit to Lord Whitty and one of the Minister's colleagues in DEFRA, who, I believe, were sensitive to local concerns. That was followed up with a visit to the site. Partly as a result of those representations, and partly as a result of questions in the House, DEFRA initiated its consultation process on a code of practice, and a number of streams of activity were then set in train.

The other important recent development is in relation to the law. In principle, it has been possible for local authorities tackling issues such as this to use abatement notices under the Environmental Protection Act 1990, in much the same way as such notices can be used against excessive noise. However, until recently, attempts to use the law in that way were frustrated by objections from Thames Water. There have also been comparable issues in Liverpool and Plymouth, and the law has proved a very weak instrument in defence of local concerns. A few months ago, however, that changed, when a precedent was established. In the case of Hounslow council *v.* Thames Water, an appeal by Thames Water was dismissed. I understand that it is now possible for action to be brought in the courts, and that, in this case, it shortly will be. However, there are questions about whether the law will be strong enough, given the rather modest level of fines available under that legislation. In my conclusion, I want to question the Minister about that matter.

The final step in the sequence of events relates to finance and the current determination by Ofwat and the Department of the permitted levels of price increase by the water companies. That is critical to the resolution of the problems. When Lord Whitty came to Mogden with MPs and local residents, Thames Water unveiled a very impressive engineering project covering the whole plant, with the introduction of new equipment. It argued, and I am sure that it was right, that the project would have provided a final solution to the earlier problems that I mentioned. Thames Water also proposed other solutions to the problem of sewage overflow.

However, the investment required for those projects was substantial and, for that investment to be made, it was important that the Ofwat judgments about the passing through of investment into prices should be sympathetic. In practice, as is inevitable with the regulatory process, a compromise has been reached. Thames Water has been allowed a price increase of 24 per cent. over the next five years. It asked for 39 per cent. It is not clear whether that will permit it to undertake the Mogden work. I had a letter a few days ago from Mr. Sexton, the managing director of Thames Water, who says that he is still reflecting on whether it will be possible to carry out the work. There is now considerable doubt about it.

What is clear is that some of the other important environmental work will no longer be possible. The much bigger problem—at least in a wider London sense—of sewage overflow into the river probably cannot be solved as a result of Thames Water's investment plans. Indeed, the Environment Agency has expressed some frustration that the Thames tideway project will now have to be abandoned. Its recent press release stated that

"we are disappointed that some of the savings have only been achieved by shelving essential schemes to benefit the environment."

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): I want to make it clear that no decision has been taken on the Thames tideway, so it is quite wrong to say that it has been abandoned.

Dr. Cable: I hope that the Minister is right. I was only reading from a House of Commons Library note, which states that

"particular concerns have been raised about the abandonment of the Thames Tideway Project."

If that is not the case, I am delighted to hear it, and I am sure that the residents will be, too.

I will conclude by posing a series of questions to the Minister that arise out of the background that I have described. First, the Department has laid a good deal of store by the ability of local councils—mainly Hounslow, but to some extent Richmond—to issue abatement notices against the water company when odour pollution is a nuisance, and now the way has been cleared for action to be taken. Is the Minister satisfied that the sanctions available through that route are on a scale that is appropriate to the problem? We are dealing with billion-pound companies and rather nominal fines under environmental legislation. I simply ask him whether he is satisfied that the legislation is robust enough to deal with a problem of this kind.

The second point is that DEFRA has now undertaken a helpful exercise: a code of practice. There is a lot of technical detail that I do not understand, but clearly a great deal of work has gone into it with the industry and the regulators. That is all welcome. How does the Minister see the code of practice acquiring greater statutory force? I know that he has been giving consideration to how it can be included in the Clean Neighbourhoods and Environment Bill, which is passing through the House. Certain aspects of the code of practice, particularly relating to mosquito nuisance, could be included in the Bill, and that is planned.

Why, though, is it not possible to include odour nuisance in that framework legislation? My colleagues and I strongly support it, and it would seem to be an appropriate vehicle. I know that there are difficulties with objective measures in relation to smell—that is somewhat more difficult than in relation to noise—but given that a great deal of effort has gone into producing quantitative measures, it does not seem totally impossible that the code of practice could acquire statutory force. I invite the Minister to give me some hope that that might be taken on board in the Standing Committee.

The third point relates to funding. The Minister has already intervened, so he may be able to give me some reassurance. I am concerned that even if it was generally agreed that major investment was required, it seems that there could be some difficulties in funding the investment stream required to make things happen. I invite him to tell me whether he believes, after the Ofwat determination, that those needs can be met.

The fourth point relates to independent monitoring. It is clearly crucial to the maintenance of high environmental standards that there should be a genuinely independent assessment of the ability of Thames Water, and other utilities in other parts of the country, to meet their capacity requirements. At the moment, as I understand it, the Environment Agency is totally dependent on the company to produce estimates of flows in and out of the works, so there is no basis for independent monitoring of its performance. Perhaps the Minister can tell me whether any thought has been given to strengthening the element of independence.

My final point is perhaps offbeat. On Saturday, I attended the annual conference of the National Association of Plumbing Teachers at my local tertiary college, the high-level Richmond upon Thames technical college, which does excellent work on trades and is a centre of excellence for plumbing teachers. I was questioned by some of the country's leading authorities on plumbing who said that a major crisis is emerging—I have no basis on which to judge whether this is a technically sensible point—as a result of large-scale installation of condensing boilers. The point was made that condensing boilers issue about 2 litres of acid into the sewerage system every hour. A typical sewage works with 10,000 condensing boilers in its vicinity could probably generate 140 million litres of acid every year. Even if diluted substantially, that could, and is beginning to have, a damaging effect on the bacteriological processes necessary for the treatment of sewage. The Minister may be unfamiliar with that problem, as I was when it was put to me. Could his technical advisers consider whether the problem is real and whether any action has been taken?

It is clear that there is greater awareness now of the problems, particularly that of odour, generated by Mogden and other sewerage works. A substantial momentum has built up for action. I would like some reassurance from the Minister on my specific points about enforcement, providing a statutory basis for the code of conduct and ensuring that there is adequate investment to ensure that improvements take place.

11.17 am

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): I congratulate the hon. Member for Twickenham (Dr. Cable) on securing this debate and on the detailed and measured way in which he made important points that are of concern to local residents. As he rightly said, my hon. Friend the Member for Brentford and Isleworth (Ann Keen) has also been active on the issue and arranged for my noble Friend Lord Whitty to visit the sewage works to see for himself and to talk to Thames Water about some of the issues.

Some of the points raised by the hon. Gentleman are right, including that about insects. We are dealing with that matter in the Clean Neighbourhoods and Environment Bill, which will provide the power to deal with issues such as mosquito nuisance, although such issues may not currently exist.

The hon. Gentleman asked about making the code statutory. As he rightly said—I shall touch on this in more detail in a moment—it has been established in court that local authorities can apply abatement notices in relation to odours, so regulation is in place. The problem with a statutory code for smell nuisance touches on issues that he recognised: how can a subjective test be devised?

The hon. Gentleman also mentioned independent monitoring. It is true that the Environment Agency relies on the figures provided by companies on matters such as flows. However, those figures comprise part of their investment programmes in relation to the size capacity of treatment plants, and their business plans are subject to careful scrutiny by Ofwat, as he knows. There is an element of independent assessment.

[Mr. Elliot Morley]

The hon. Gentleman also referred to storm overflows and I should like to deal with that straight away because I do not want any misunderstanding about the Thames tideway. Mogden is one of four major treatment works that are currently unable to deal with storm flows, and that leads to a discharge from the treatment plants into the River Thames. I am pleased to assure the hon. Gentleman that, with the business plans that Thames Water put to Ofwat, there has been approval for a considerable investment in the upgrade of those treatment works, including Mogden, to enable them to cope better with storm flows. That in itself should considerably improve the River Thames.

The working group examining the Thames tideway has been considering whether there are quicker and potentially cheaper ways of dealing with combined sewage overflows in the long term. In the end, there may not be and, in the final analysis, the tideway scheme may be the best option. I do not rule that out. I am waiting for the group's report at the end of this month or the beginning of next month, and we will make an evaluation based on it. I want to see rapid progress, and that is why I am very pleased about the investment in the four sewage works.

The Thames tideway project will be five years in development; it will be five years just working it up. It will be at least another decade in construction. It is a long-term scheme that will cost billions of pounds. We must consider that option. I do not want the hon. Gentleman to think that the scheme has been abandoned, because it has not. We are just waiting for that report.

The hon. Gentleman will understand that the prime responsibility for tackling odour problems rests with the water company; in this case, Thames Water. I do not know the history of the site, but I wonder what was there first: the treatment plant or housing. If housing was built there, I wonder what consideration the planning authority gave to those issues. The hon. Gentleman knows the history better than me. Again, I can provide him with some assurance, because the original determination by Ofwat allowed Thames Water £10.8 million for odour works, mainly at Mogden where, it is recognised, there is a major problem. That would have covered the inlet works in the first determination. The final determination has almost quadrupled that allocation to £42.8 million. In addition to the inlet works, that will allow Thames Water to cover storm tanks and some of the sewage tanks. A considerable amount of money is available. The work programme is for Thames Water to decide, but, based on the business plan that the company put forward, Ofwat has made a considerable amount of money available for the approved programme.

The hon. Gentleman is right to say that we need an effective regulatory scheme. There must be a stick and a carrot. The stick is regulation and enforcement, including fines on occasions, and reasonable standards and real action to deal with complaints, which is the job of local authorities. The carrot is ensuring that the company is in a position to fund its operations. That is a matter for Ofwat.

The legal position has been clarified by court judgments on odour. The High Court judgment confirmed that odours from sewage treatment works can be considered a statutory nuisance within the terms of the Environmental Protection Act 1990. As a consequence, local authorities have a duty to investigate such problems, and they have the corresponding enforcement powers. I understand that in this case the local authority has used its powers to issue abatement notices.

The Government published on 23 December 2002 the outcome of our first public consultation on odour, and that is where we developed the policy of supporting the use of a statutory nuisance regime to resolve odour problems at sewage works. We also recognise that local authorities and water companies need a clear idea of what procedures and standards ought to be met under that regime, and we have been working with them to try to clarify the situation. As a result, we launched a new consultation on the draft code of practice and local authority guidance on odour nuisance from sewage treatment works. Responses are invited up to 4 April 2005, and our aim is to implement the code by the summer. At the same time, DEFRA and UK Water Industry Research are collaborating on best practical means guidance that will be aimed primarily at the water industry.

We recognise that there are obvious local problems with odours from sewage treatment works. Water companies do not have to wait around for the outcome of the consultation and guidance, but should act now. As I said, funds have been made available in respect of the business plans.

If water companies need to do more at particular sewage works to manage odour problems, it may mean that better management or maintenance is required. We recognise that capital investment is a consideration, but I emphasise to the hon. Gentleman my understanding that the way in which sewage treatment plants are operated also has a bearing on odour. Issues of good practice, good management, good operation and good maintenance are separate from the capital programme. Ofwat rightly has an obligation to scrutinise the business plans in order to ensure good value for money.

Nationally, companies propose in their final business plans to spend more than £292 million between 2005 and 2010 to fund works on odour control. Ofwat allowed £96 million for that in the draft version. In the final version, the amount was increased to £134 million, which is a recognition of the representations that Ofwat received, including those of the hon. Gentleman and my hon. Friend the Member for Brentford and Isleworth. Considerable progress is being made on the matter, and we expect work to be carried out during the next five years. I very much hope that progress is made on the issues raised by the hon. Gentleman.

The hon. Gentleman asked whether enforcement was adequate, given the steps that can be taken. Ofwat will lend weight to the proposed code of practice by not allowing the cost of any fines that might be incurred by water companies as a result of prosecution under odour nuisance regulations to be passed on to customers. The company will have to pay for any fines directly out of its profits and not pass them on in consumer bills. I make that point to the hon. Gentleman, as that is an important assurance.

Fines of up to £20,000 may be levied for such nuisances, but we should not forget that all water companies—Thames is no exception—take very seriously their image, environmental commitments and customer relations. They do not want to be seen as being in breach of any of the regulations, whether on odour, pollution or discharges, and they spend a great deal of time on ensuring that they have the mechanisms and management in place to deal with such matters.

As I said, there is also the issue of capital investment. I hope that I have assured the hon. Gentleman that significant capital investment has been allowed for in the current price review. On enforcement, there are court judgments, and DEFRA is finishing its consultation on the code of practice, which will help people who suffer from the problem. It will also help companies, which clearly need some guidance and some certainty as to how they should approach the matter. Those are important issues, and I am optimistic that the hon. Gentleman will see considerable progress, which will be of benefit to his constituents.

11.30 am

Sitting suspended until 3.30 pm

Installation of Oil Fired Heating

3.30 pm

Jane Griffiths (Reading, East) (Lab): I am grateful for this opportunity to raise another important environmental issue. When there is a huge leak of oil at sea, we are quickly made aware of it through the media. The damage to the environment is widely known and understood. The work that has been done to prevent oil spills at sea has been so effective that the names of past incidents are readily remembered. Torrey Canyon, Exxon Valdez, Amoco Cadiz and Sea Empress are just a few that come to mind.

The problem of oil spills that are not at sea is far less publicised. One example, which occurred in July 2003, was reported by my constituent, Phil Hope of Colemansmoor road in Woodley. The name is pure coincidence; I do not believe that he is related to the Minister.

Mr. Deputy Speaker (Mr. John McWilliam): Order. I am glad that the hon. Lady clarified that. I was about to call her to order for not referring to the hon. Gentleman by his constituency.

Jane Griffiths: Thank you, Mr. Deputy Speaker.

My constituent reported that his daughter had led him to warn the Environment Agency of pollution to the River Loddon at the bottom of his garden. He stated:

"My daughter was at the bottom of the garden on Wednesday evening and she noticed a terrible smell and a substance floating on top of the river. It looked like oil and smelled of petrol. With our neighbours we called the Environment Agency and people came out to remove the swans. I am sure if they hadn't been taken out they would have died. We have been feeding the family of swans since they were very small. There is a mum and a dad and seven cygnets."

As an aside, I am not a fan of swans. They cannot break a man's arm, as reputed, but they are nasty, fascist birds, and I do not like them.

Some of the pollution reached nearby Dinton Pastures, and a spokesperson for the country park said that staff there smelled the oil and contacted the Environment Agency. So far, wildlife has not been badly affected. A spokeswoman for the agency stated:

"There are rainbow colours on top of the water which means that the oil there is minimal. The main problems are aesthetic, it doesn't look or smell nice. But in large quantities oil can be toxic so we advise the public to be aware of what they put in the water."

The leak is believed to have come from a school via a surface water drain. That report was not from the national media, all of which beat a path to the door of my constituent, but from the local *Reading Evening Post*. It comprised the sole report of the incident.

The following are not my words but those of the Environment Agency in its February 2004 position statement on oil pollution of inland waters:

"Oil and fuels are the most frequently reported type of pollutant of inland waters in England and Wales."

Oil is a persistent and toxic pollutant. Agency figures show that there are more than 5,000 oil spill incidents a year in England and Wales. Although some of them affect land, the vast majority affect the water environment: rivers, streams and ground water,

[Jane Griffiths]

including sources of drinking water, which can be tainted at very low concentrations, making them unsuitable for use.

In one example, a root was left in the base of a newly installed oil tank. It punctured the tank, and the oil headed towards a water borehole. The only way to deal with the problem was to drill a borehole into the polluted area and try to pump out more oil than was emptying into the ground. The water borehole at risk provided the water for four or five villages, and there was no other nearby source.

The effects of oil spillages may be long term. They can and do harm or kill wildfowl, mammals and fish. Of course, oil is carcinogenic to humans. As I indicated, I am aware of spillages that have had damaging effects in particular areas. They have been reported in local newspapers and on local radio.

The problem is by no means confined to spills from commercial premises. I am happy to say that those have been addressed by measures on agricultural fuel oil storage dating from 1991 and 2001 which set minimum standards for oil storage at industrial, commercial and institutional premises. Ten per cent. of all sites designated as contaminated by local authorities were contaminated as a result of domestic oil spillage, according to the journal *Property Matters* in March 2003.

Although it can be hard sometimes to track the exact source of oil pollution because of the diffuse nature of the problem, the Office of the Deputy Prime Minister estimated that between 1995 and 1998 there were

"on average 1,250 substantiated pollution incidents in the domestic and residential sector. However, in 1999 the number of incidents rose significantly to 2,855."

The latest Environment Agency statistics show that the problem persists. The agency believes that the current level of pollution of inland waters by oil is unacceptable and that, according to the position statement on oil pollution of inland waters of February 2004,

"effective steps need to be taken to reduce the number and severity of such incidents."

Oil-fired domestic heating has been a growth area. Since 1993–94 the market for oil-burning appliances has doubled. Oftec, the Oil Firing Technical Association, estimates that 80,000 tanks were sold to the domestic market in Great Britain in 1998, half of them with a capacity in excess of 2,500 litres. The industry estimated that in 1997—the latest statistic that I have—the market was growing at about 30 per cent. per annum. The vast majority of oil tank installations are plastic, with the balance being steel. Half of them have a capacity of over 2,500 litres.

The ODPM has expressed the following concern:

"It is thought that many of these new installations are being constructed by non-specialists and that nearly all of these installations lack satisfactory means of containing escaping oil and detecting and warning of leakage."

That is from the regulatory impact assessment on part J of the building regulations on combustion appliances and fuel storage systems. However, the problem goes beyond that. Spills sometimes occur during delivery. There is evidence of vandalism being a significant factor. According to Oftec:

"Steel tanks fail, mainly due to age, and plastic tanks split. Across the board manufacturers have reported disfiguration due to rapid filling."

On that basis the condition of an oil tank stands out as a prime candidate for inspection and report during the forthcoming home condition inspection process. Alternatively, could the tank be inspected at the same time as the householder has their boiler inspected? I would be grateful for the Minister's views on those points.

There are 1 million domestic oil storage tanks of which only 10 per cent. are bunded. Bunding is the addition of a secondary containment system, a second skin. Oil is five times more likely to be lost from a non-bunded tank, mainly because leaks and overflows from a tank will be contained by a bund. The new Control of Pollution (Oil Storage)(England) Regulations 2002 are welcome as far as they go. Under those, oil tanks must have a secondary containment system with a capacity of at least 110 per cent of the tank's storage capacity.

There is, however, an exemption from those controls on oil tanks for private dwellings where the storage capacity is 3,500 litres or less; in contrast, they bite on industrial premises where the storage capacity exceeds 200 litres. It stretches belief that an industrial tank containing 201 litres is somehow more hazardous than a domestic tank containing 3,499 litres. I would be grateful if the Minister could explain why the requirement to bund should not be extended to new domestic tanks, at least the larger ones.

Another part of the answer may lie in professionalising Oftec. Oftec was set up in 1991 as part of the Government's competent persons scheme in a broad and commendable attempt to improve standards in the construction industry. Every Oftec-registered technician must hold a current certificate of competence. Under the building regulations self-certification scheme, Oftec may exempt individuals and companies from the requirement to notify local authorities of work to install oil-fired combustion appliances and oil storage tanks and pipes.

In 2003, the ODPM undertook an assessment of Oftec's success. At that time—12 years after its establishment—Oftec covered around 30 per cent. of all installers, but membership is voluntary. Oftec registration is merely a sign of quality within the industry, not a requirement. The Department noted that 1,600 registrations lapsed in December at the end of the three-year registration. Given the ODPM's express concern about non-specialist installers, I suggest that oil-fired systems should be installed only by properly qualified and competent technicians. A healthy Oftec with an equivalent status to the Council for Registered Gas Installers—CORGI, as it is known—and with 100 per cent. coverage of installers is highly desirable. Would the Minister consider making membership of Oftec mandatory for installers and services? Oftec could then play a leading role in professionalising the oil heating installation industry in the pursuit of higher standards and environmental protection. I believe that there is scope to raise training requirements for Oftec registration and for Oftec to assume a greater regulatory and supervisory role.

Taking effective action against this problem stands to be a net benefit to the economy as well as the environment. It was estimated that the benefits of the oil storage regulations on existing tanks would amount to £250 million, from avoiding clear-up costs, reimbursement to the Environment Agency and the cost of replacing lost fuel, together with between £15 million and £56 million a year from regulating new tanks; and that is from a limited assessment of benefits.

Let us not forget also the costs to householders and businesses. An oil leak can spread the fumes and smell of the heating oil throughout the house. In one extreme case a house had to be demolished because the oil had got so far into the foundations that it was the only way the problem could be treated. Yet most householders are not aware of the possible problems.

The United Kingdom is required by European Union directives on dangerous substances and groundwater to prevent pollution of the water environment. That is simply good sense. It is much better for the environment if we prevent pollution rather than having to clean it up afterwards.

The Environment Agency's latest survey shows what a steep hill this will be to climb. It must be right to batten down now on this avoidable source of pollution. No wonder the agency is currently calling for

"Government to consider further measures which could reduce the environmental burden of oil pollution. This should include a review of the scope of the Oil Storage Regulations, a review of Part J of the Building Regulations and alternative measures, such as a requirement for technicians installing oil fired equipment to be appropriately qualified and registered."

It would be helpful to know how the Government will respond to this call. I hope that, as I have had an opportunity to give the Minister advance notice of some of those points, he will be able to respond in some detail.

I conclude by saying that when hon. Members' constituents have a gas boiler installed in their home, they can be confident that the person coming to install it will do a quality job. Our constituents with oil-fired heating systems and tanks have a right to have similar confidence.

3.44 pm

The Parliamentary Under-Secretary of State, Office of the Deputy Prime Minister (Phil Hope): I congratulate my hon. Friend the Member for Reading, East (Jane Griffiths) on securing this debate on oil installations. I was interested in what she said about pollution incidents, the way in which they are being controlled now and might be controlled in future and in her suggestions. I also congratulate her constituent on an excellent choice of name.

Addressing oil pollution risks is an important part of the Government's overall policy on sustainability. In relation to oil installations, sustainability means using oil efficiently to avoid extravagant consumption and carbon emissions as well as limiting oil spillage in transit, dispensing and through leaks from storage installations, so that pollution incidents and expensive clean-up operations are minimised.

I want to begin where my hon. Friend began—with the problem of oil pollution affecting fresh waters. Throughout the late 1990s, the Government introduced legislation to set minimum standards for oil storage facilities at industrial, commercial and institutional premises in England. Similar regulations have been proposed for Scotland and Northern Ireland, and the Welsh Assembly Government are also considering their introduction.

The control of pollution regulations for oil storage for England were introduced, as my hon. Friend said, on 1 September 2001, and they are being implemented in three phases. The final phase, starting on 1 September this year, will affect all oil storage tanks not previously covered and associated pipe work at industrial, commercial and institutional installations and tanks above a 3,500-litre capacity serving dwellings, a point made by my hon. Friend.

The regulations will provide minimum standards for larger domestic installations, but there are no other requirements under those regulations aimed at controlling pollution risks arising from the majority of domestic storage installations, which generally have a much smaller capacity—600 to 1,000 litres is most common. However, it is a statutory offence under the Water Resources Act 1991 to cause or knowingly permit the pollution of controlled waters, including ground and surface water. In 2002, there was a 10 per cent. fall in the number of all categories of oil pollution incidents—the second successive year of reduction since the regulations were introduced. It is obviously too soon to make positive judgments about the overall effect of the regulations, but the signs are pointing in the right direction. We will not be able to evaluate them all in practice until there is a full year of incident data following the final enforcement date of September this year.

Although the oil storage regulations do not address the risk arising from most oil tanks that serve dwellings, those have been controlled on a risk basis in England and Wales under part J of the building regulations introduced in April 2002. Similar provisions again apply in Scotland. My hon. Friend mentioned part J, the regulatory impact assessment that was published in support of it in October 2001 and the possibilities for improving the controls on storage tanks. The requirements for measures against oil pollution in those regulations came into effect on 1 April 2002. They require that oil storage tanks and the pipes connecting combustion appliances be properly constructed to reduce the risk of oil escaping and causing pollution, and that tanks bear durable notices containing information on how to respond to an oil escape.

Approved document J, which was published in support of the regulatory requirements, provides guidance on how to comply with the regulations. To control the risk of oil pollution, it calls for risk assessments. Where the risk is considered unacceptable, it calls for storage tanks to be protected by secondary containment. My hon. Friend described them. There are impervious bunded enclosures and catchpits, and there are also certain types of double-skinned tanks that serve this purpose.

It is true, however, that views are changing about the pollution risk from domestic central heating. It seems that the provisions in approved document J may only partially address the risks as they are now perceived. I am pleased to say that my officials have therefore begun discussions with representatives of the Environment

[Phil Hope]

Agency and the oil industry to see what additional guidance might be needed and how best it might be conveyed.

My hon. Friend mentioned the Oil Firing Technical Association, Oftec. It is one of the organisations approved under the building regulations to operate competent persons schemes. Membership of its scheme enables firms to carry out oil installation work covered by the building regulations and to self-certify the compliance of their work with all relevant requirements. The Oftec scheme began in April 2002. In order to register, firms must demonstrate their competence at meeting building regulation requirements, including those covering pollution.

Periodic, random inspections by Oftec help to ensure that the standards of scheme members do not slip following their registration. Although a number of registrations are not renewed each year, I am told that, overall, numbers are healthy and rising, and I welcome that. The approved Oftec scheme covers the installation of oil fired combustion appliances and related storage tanks and pipe work. It does not deal with maintenance, because those ongoing activities are not covered by the building regulations.

The competent persons scheme relieves much of the regulatory burden and allows local authority building control departments to concentrate more on checking the activities of unregistered firms. I am also pleased to say that my officials are pursuing with local authorities, industry and others how such enforcement can be improved.

My hon. Friend raised a number of questions in her presentation, and I shall try to address them now. First, on the issue of inspecting existing tanks—*[Interruption.]* My hon. Friend the Under-Secretary of State for Defence has just walked in and sat down. When I say "tanks", I am referring not to anything in his Department, but to oil installation tanks. I wanted to ensure that he did not feel that there was a cross-departmental—

Mr. Deputy Speaker: Order. As a former member of the Defence Committee, I can assure the hon. Gentleman that tanks leak oil.

Phil Hope: The regulations governing the leakage of oil from Ministry of Defence tanks will be quoted by my hon. Friend, but I think that I should move on rapidly.

I say to my hon. Friend the Member for Reading, East that home information packs will contain information about inspecting existing tanks, but they will cover only what can be visually inspected. The home information pack reporting system will come into effect in the first half of 2007. Although the packs will cover only visual inspection, they are a step in the right direction and will make an impact.

Tanks may also be inspected as part of regular combustion appliance servicing visits, but those are currently not mandatory. Section 2 of the Building Act 1984 enables such requirements for regular inspections, but those powers have not yet been used. National benefits in terms of combustion safety and efficiency could be obtained from such visits as well as from pollution risk management, which was the main focus of my hon. Friend's concerns, and I have asked my office to look into those possibilities. There would need to be wide consultation before new regulations were made, but we have started to consider what could be done.

My hon. Friend asked about the bunding of at least the larger domestic tanks. The difficulty is that the building regulation requirements on this matter came into effect less than three years ago. It would be premature to revise them before we have had a comprehensive survey of implementation planned for the next financial year. Her comments are welcome, but we have only recently introduced the regulations and we are undertaking that comprehensive survey. However, as I said earlier, my officials are working with colleagues, particularly at the Department for Environment, Food and Rural Affairs and also at the Environment Agency, and considering how best to publish further advice, given the concerns that she and others have raised.

With regard to my hon. Friend's question concerning making membership of Oftec for installers and servicers mandatory, I have to say that to do so now would be premature. She drew parallels with the CORGI system, which is covered by the Gas Safety (Installation and Use) Regulations 1998. The strict provisions in those regulations arise as a result of the severe risks of carbon monoxide poisoning that can occur because of defective gas installation work. As I have said, the Oftec competent persons scheme relieves much of the burden on building control departments, thereby giving those local authority departments the opportunity to concentrate on unregistered workers, the group that my hon. Friend mentioned and is concerned about.

I believe that the competent persons scheme is a good scheme and that the consequent ability of building control departments to concentrate their efforts on unregistered workers is working. I do not think that we need, or would wish, to proscribe unregistered work again until we have surveyed implementation of part J and, as I mentioned earlier, the final step in implementing the oil storage regulations. My hon. Friend's points were well made, but we need to allow existing regulations to take effect and the schemes to operate. We need to survey the impact before we make a decision on any further action.

In general, we are doing a lot. Although it would be premature to alter things now, I hope that I have made it clear that the Office of the Deputy Prime Minister is investigating how the regulatory powers may be used to include maintenance, should that eventually be shown to be necessary. I know that my hon. Friend the Minister for the Environment and Agri-environment met the Environmental Industries Commission last week to discuss its ideas for reinforcing the storage regulations with provisions for regular inspections of tanks—an MOT test for tanks, in the same way that cars are regularly inspected. That would go a long way towards meeting the concerns of my hon. Friend the Member for Reading, East. I am pleased that my colleagues in the Department for Environment, Food and Rural Affairs are meeting with relevant bodies to consider the possibility of more regular inspections of tanks. I have received other representations calling for more regulation of the oil installation industry, and I believe that many of the things that I have described are positive responses to those calls and concerns.

Although we may not be doing everything that my hon. Friend asks for, I hope that she has been persuaded that there is a lot happening. We are working hard on the oil storage regulations; we are currently surveying information that has been returned to assess the impact of the regulations and their efficiency; and there is ongoing dialogue between my Department and DEFRA and representative bodies in the industry to establish whether there may be better ways forward.

We are mindful of the pollution risks associated with domestic heating fuel and we are following an appropriate course of action, given that the regulations were introduced relatively recently, the need to monitor their efficiency and the discussions that are currently taking place to bring about progress in this matter.

Gulf War Syndrome

3.58 pm

Mr. Brian H. Donohoe (Cunninghame, South) (Lab): I thank the Speaker for calling the debate so early. As we have recently had the reports from Lord Lloyd of Berwick, this is an opportune occasion to debate the question. I would rather not be here; I would rather all the problems that have been encountered by the veterans had been addressed by the Government. Unfortunately, however, that is not the case.

The debate surrounding the question of Gulf war illnesses is particularly relevant to Garry Hope, one of my constituents. Garry was born on 4 July 1973. He joined the Army in September 1989 as a signaller in the Royal Highland Fusiliers and went on to fight against Saddam's regime in 1991. Subsequent to that he did tours of Northern Ireland and Belize, before leaving the Army in June 1994. He now works as a residential child care worker in Ayrshire.

Because of the problems that have been identified as affecting Garry, he has been awarded a 40 per cent. war pension. That is based on him suffering from what is known as post-traumatic stress disorder. He has a claim outstanding—I think that it was submitted a couple of months ago—in respect of Gulf war syndrome, but he has been informed that he may have to wait an inordinate amount of time for his case to be heard. That is the first point on which I seek a response from my hon. Friend the Minister today. Why are claims that have been submitted taking so long to be resolved? I want him to address that question urgently.

All the troops involved argue that, as a consequence of being in the Gulf war, they suffer from various physical problems. They have swelling of joints and muscular pain, and many suffer from permanent dizzy spells as well as periodic memory problems. Those are all problems for them in living a life as near to normal as possible.

I have been steeped in the subject of Gulf war syndrome for a considerable time, since March 1997, and have perhaps considered it more closely than I would otherwise. Like many Members of Parliament, I have become very concerned about what I am learning and about what has not been done but could have been done by the Government. I last secured a debate on the subject for another constituent on 8 January 2002, which is just over three years ago, but in many ways nothing seems to have moved on since then. More than anything, I want to establish what has happened between that date and today.

In the debate in 2002, reference was made to a number of different research documents that were being explored and research projects that were being undertaken by various people. In responding to me on that occasion, my hon. Friend the Member for Kirkcaldy (Dr. Moonie), then the Under-Secretary of State for Defence, said:

> "The Government accept that some Gulf veterans have become ill and that many believe that their ill health is unusual and is related to their Gulf experience. There is now scientific evidence that Gulf veterans report more illnesses than other comparable groups, but there is no medical or scientific consensus about the causes of those illnesses. We remain open-minded about the causes, and important research is under way."

[Mr. Brian H. Donohoe]

At that point, I asked whether the Minister could clarify the time scales for that exercise. He said:

"It might be helpful if I point out to my hon. Friend, since the matter is one of my responsibilities, that some 12 research studies are still proceeding. Most of them will report during the coming year. Some of them are very detailed, others much more general. The various problems should be resolved within the next 12 months or so. However, we are afraid that we will again find that there is nothing specific involved after having expended a great deal of time, effort and money—resources have not been stinted in our attempts to identify the cause of the conditions that are complained of. We may be left with an inconclusive result and have to recognise that we will never get to the bottom of the matter. However, I assure my hon. Friend that any suggested causes will be actively followed up and that we will do our very best to find the cause, if there is one to be found."—[*Official Report, Westminster Hall*, 8 January 2002; Vol. 377, c. 183WH.]

I want to know from this Minister today or, if that is not possible, perhaps in writing, exactly what has happened to all that research undertaken some three years ago, and where the Government are intent on taking this matter.

Part of the problem concerns the inspections undertaken at, I believe, St. Thomas' hospital by Professor Lee. Among the veterans attending there is a consensus that the process and system is not structured to investigate the historical nature of the veterans' health, in the way that they believe should be done. They argue that this is due to Professor Lee not having access to the civilian medical records. I checked this and found that Garry Hope's own GP, a Dr. Walker of the Frew Terrace surgery in Irvine, was not contacted by Professor Lee. Something has to be done because if a history is not used, the investigation does not show an up-to-date position of the persistent problems and erratic nature of an individual's health.

It is widely thought among the veterans themselves that the process is somewhat prejudiced—that it is almost part of a propaganda machine. That is wrong and it has to be addressed. There is, it seems, a trend of belief developing from the medical assessment programme to the effect that veterans are imagining the illness or becoming paranoid about their situation, and that there is no truth in the fact that they are suffering. This has clearly been contradicted by a document published by the research advisory committee on Gulf war illnesses in the United States on 12 November 2004. It was then stated by the veterans themselves:

"Yes, there was a very high level of stress"—

that would be obvious in the circumstances—because

"it was known that the Iraqis had chemical and biological weapons, and it was thought likely that they would be used. But stress alone could not explain the illnesses. There was something else as well. Once again we see no reason why the MOD should not admit that fact."

In addition, as I mentioned, there was the Lord Lloyd report undertaken in the summer. The Government and MOD argued that that was an unofficial investigation into the question and did not choose to have a representative present. In calling it unofficial, for whatever reason—I would like to know the reason—they raise some questions. Why do they refuse to recognise the inquiry, and why did they not choose to show that they were willing partners by being represented at it?

We have to bear it in mind that the Americans have recognised the condition of Gulf war syndrome and we have not. They are now working toward a better understanding and a way forward for veterans—a way that is far more proactive than veterans in this country have perhaps seen. That, it is argued, has been achieved by dedicated finance being made available to resolve the situation and to draw a conclusion as speedily as possible. If the Government and the MOD do not feel that enough time has passed, that may be due to their dedicating only around £2 million to research on the issue. It could be argued that that is a lot of money, but in terms of the consequences that we are really faced with, I suggest that the veterans see it as no more than a token gesture in comparison with the funds made available on the other side of the pond.

Something is needed to demonstrate to all involved that the Government may be in a position to reach a conclusion to the whole question. It would be good if the MOD could do something to reinstate the legal aid which was, I understand, withdrawn when the last group action for the veterans concluded. That would allow other solicitors to relaunch an action. Otherwise the tendency for veterans to think that there is a conspiracy, as they say whenever I meet them, will grow. The Government's actions have not put that tendency to bed. We are moving towards a situation that I do not like: the Government are almost discredited in the eyes of those people. That is the last thing we want in people who fought for their country.

Another aspect concerns what happens in other countries. I have referred to what happens in the United States, but other countries who were allies in the Gulf offensive have come to terms with the situation and dealt with their veterans more progressively. I understand that a lot of research has been done, and I want all those resources to be harmonised internationally so that the troops concerned are satisfied and we can put the matter to bed once and for all. Until we have another inquiry to draw all the strands together in a way that is acceptable to the veterans, we will not be able to bring the matter to a conclusion.

Finally, I draw the Minister's attention to paragraph 35 of the Lloyd inquiry, in which it is recalled that before the 1997 election the Prime Minister said:

"If we get into Government, we will leave no stone unturned and we will get a Public Inquiry".

Nothing like that has happened, and unless and until all the issues that I have raised and others are addressed by the MOD and the Government, people will continue to come to our surgeries about the matter Recent early-day motions on the subject have been signed by more

than 100 Members. All of that would come to an end if the concerns that I have raised were examined and we were able to tell our constituents that the Government were listening.

4.13 pm

The Parliamentary Under-Secretary of State for Defence (Mr. Ivor Caplin): I begin by congratulating my hon. Friend the Member for Cunninghame, South (Mr. Donohoe) on securing this debate to discuss the important case of his constituent, Mr. Garry Hope. My hon. Friend will realise that, because he advised my office only a little over an hour ago of the details that he related to the Chamber, I will not be able to be specific about Mr. Hope in my response. However, I will write to him about his constituent and I can respond to the general points that he made this afternoon.

This Government have always given the concerns of the 1990–91 Gulf veterans the highest priority. This important and highly complex issue will continue to receive the close attention that it deserves. However, I remind the House of the Government's approach to Gulf veterans' illnesses, about which my hon. Friend concluded his comments.

By way of background, I can tell the Chamber that more than 53,000 UK armed forces personnel were deployed to the Gulf in 1990–91, a minority of whom are ill. We all want to know why that is, but there is no medical or scientific consensus on the cause or causes of ill health among some Gulf veterans.

I remind the Chamber about the key facts concerning Gulf veterans' mortality. The latest statistics, which were published yesterday, 17 January 2005, show that, overall, there have been 687 deaths compared with 688 in a comparison group that was not deployed to the Gulf. That is significantly lower than would be expected in the general UK population, for which the equivalent number is 1,085.

I am sure that my hon. Friend will recall that in July 1997 we published a policy statement, "Gulf Veterans' Illnesses: A New Beginning", which set out how we proposed to address the health concerns of veterans. Many of the commitments that we made in that document have been fulfilled, but I assure the House that it continues to underpin our activities at the Ministry of Defence.

The policy statement says:

"First, that all Gulf veterans will have prompt access to medical advice from the"—

Gulf veterans—

"Medical Assessment Programme. Second, there will be appropriate research into veterans' illnesses and factors that might have a bearing on these. Third, the MoD will make available to the public information it possesses that is of potential relevance".

This afternoon I will say something about each of those areas.

I shall deal first with the medical assessment programme, which has been running since 1993. In that time it has seen more than 3,400 patients, some more than once. Mr. Hope attended the programme on 22 November 2004. I strongly recommend that veterans of the 1990–91 Gulf conflict and of Operation Telic attend the programme if they have any concerns about their health.

Mr. Donohoe: Why is it that, when veterans attend the programme, no record is sent by their GP to the professor, or whoever it is, who examines them?

Mr. Caplin: If my hon. Friend will forgive me, I will come back to him on that issue. I want to talk about further details that are available about the programme on the MOD website—www.gulfwar.mod.uk. We plan to publish a revised information pack about the programme next month.

I have stated the importance of research in this area to the House before. There is scientific evidence that 1990–91 Gulf veterans report more ill health than comparable groups, but the pattern of ill health is not unique to Gulf veterans. They report the same symptoms and conditions as do UK Bosnia veterans and UK military personnel who did not deploy to the Gulf. The only difference is the increased frequency with which Gulf veterans report such symptoms.

It is worth recalling that specific diseases, disorders or medical conditions and syndromes each have common features such as a set of physical signs and/or symptoms that distinguish them from other medical conditions. Gulf veterans do not present with an identifiable and distinct pattern of symptoms or signs. The consensus of the international scientific and medical community, following extensive research on the matter, continues to be that there is insufficient evidence to enable that ill health to be characterised as a unique Gulf-related illness or syndrome.

I know that my hon. Friend will accept that the Government's approach must be guided by the scientific and medical evidence. That is why we do not recognise Gulf war syndrome as a medical condition. The term "Gulf war syndrome" is not found in the international standard used around the world by physicians and scientists for distinguishing diagnosable disease categories, which is stated in the World Health Organisation's "International Classification of Diseases", 10th edition. Therefore, the Government simply cannot accept the recommendation in the report by Lord Lloyd that the term "Gulf war syndrome" be used as a label.

However, that does not stop Gulf veterans who are ill receiving a war pension and attributable benefits under the armed forces occupational pension schemes. Such pensions are not awarded for a list of disorders but for any disablement that can be accepted as having been caused or made worse by service. That will be the case for Mr. Hope.

At the end of September 2004, about 2,800 Gulf veterans were in receipt of a war disablement pension. Additionally, 2,290 Gulf veterans had received a gratuity for disablement assessed at less than 20 per cent. There will be some overlap between those figures as some individuals will have received first a gratuity

[Mr. Caplin]

and then a pension. Those figures include awards for both Gulf-related and non-Gulf related injuries or illness, because our statistics do not enable us to distinguish the origin of the disablement. MOD officials liaise with their colleagues in the health service to ensure that periodic reminders are issued to hospitals and GPs about the priority treatment arrangements available to Gulf and other veterans for injuries and conditions for which they receive pensions. Veterans of the Gulf conflict can and do receive compensation in the form of war pensions and armed forces pensions on the same basis as all other veterans.

We see no case for another of Lord Lloyd's recommendations—that one group of veterans should be singled out for preferential treatment by way of an ex gratia payment on top of the pensions they already get.

We want to find out why some Gulf veterans from that first conflict are ill. Our current research programme, to which my hon. Friend referred, will cost at least £8.5 million to complete. The Medical Research Council provides independent, scientific advice on the research programme. It has undertaken an independent, scientific review of all the UK research work that has been carried out into Gulf veterans illnesses in an international context. The results of that review, including recommendations for future research, were published in May 2003. The MOD has noted the MRC's conclusions and recommendations for further research, and additional funding will be made available as necessary.

The third strand of our approach is openness. We have made an enormous amount of information public in response to inquiries from veterans and others and we will continue to do so. I stress that the well-being of personnel whom we deploy is of the greatest importance to us, and we have made some important improvements since the 1990–91 Gulf conflict. For example, we have introduced a new operational medical record form that is now in use. We ensure that troops are immunised routinely so that personnel do not receive a combination of vaccines upon deployment, and we have arrangements to limit the effects of post-traumatic illnesses within the armed forces which have been developed over a number of years. They will continue to be reviewed in the light of medical developments in the field of stress management and treatment.

On 4 November last year, I announced the publication of a paper entitled "The 1990–91 Gulf Conflict: Health And Personnel Lessons Identified". That set out what we have already done to improve policies and procedures since the Gulf conflict and assesses how those have been applied to the current Iraq deployment. Of course, the MOD is aware of the report of the US research advisory committee on Gulf war veterans illnesses, and we have noted it with interest. Its report is a review of some existing research with which we were already familiar.

There are areas in the report that we believe are not supported by the balance of scientific evidence. For example, it does not take into account a recent important paper by the US Institute of Medicine, which states that there is insufficient or inadequate evidence to determine whether an association exists between low-level exposure to sarin and long-term adverse health effects. We also note that much of the research that is drawn on to formulate the recommendations was carried out by members of the committee, which raises some concerns about objectivity. I also say to my hon. Friend that the US does not, as he stated, recognise the term "Gulf war syndrome"; I have explained why in relation to the WHO document.

MOD officials work closely with their US counterparts to ensure that the UK has full visibility of all American research into Gulf health issues. A senior international forum meets regularly at official level, and includes representatives of the United States, Canada, New Zealand and Australia who share information of benefit to all veterans, not just those from the 1990–91 Gulf conflict. I have invited ministerial colleagues from those countries to a summit on veterans issues in the UK, which will be held in March.

My hon. Friend raised the matter of Lord Lloyd's report. I have touched on some of its recommendations, but I would like to take the opportunity to comment on it further. We have studied it carefully, but we believe that it contains no new substantive or scientific evidence to support its conclusions and recommendations. It also fails to take into full account the large amount of written evidence and material provided by the MOD to Lord Lloyd's inquiry. We did not participate in person in his investigation because we believe that it is only through independent scientific and medical research that we are ever likely to establish the causes of ill health in some Gulf veterans. The possibility remains that we may look again at the issue of a public inquiry on this matter, but Lord Lloyd's report does nothing to change the Government's view that an inquiry will not answer the basic question about why some Gulf veterans are ill.

The report gives the impression that 6,000 veterans are suffering from ill health due to their service in the conflict. I must point out that only a minority are receiving a war pension for Gulf-related illnesses. Although these veterans served in the Gulf, many of the claims relate to physical injuries suffered in the Gulf or to disablements and illnesses unrelated to their service in the Gulf conflict. The number of veterans in receipt of pensions or gratuities for unspecified symptomatic Gulf-related illnesses is approximately 1,400, less than 3 per cent. of the personnel who served in the Gulf.

Additionally, only about 100 claimants have failed to receive an award for Gulf-related illnesses, not the 272 recommended for review by the Lloyd report. Other claims, as I said to the House at the time, relate to physical injuries suffered in the Gulf or to disablements and illnesses unrelated to their Gulf service. As my hon. Friend will be aware, I announced at Defence questions on 29 November that the MOD will re-examine the 100 or so cases that do relate to Gulf-related illnesses, where

those can be identified. I can tell the Chamber that that review is advancing well.

In conclusion, we at the MOD have been surprised by Lord Lloyd's reluctance to disclose who sponsored and funded his investigation. That contrasts directly with the Government's policy of openness and transparency, set out in our policy document, "Gulf Veterans' Illnesses: A New Beginning", which we have consistently followed for eight years and will continue to follow in the future.

Question put and agreed to.

Adjourned accordingly at twenty-seven minutes past Four o'clock.

Westminster Hall

Wednesday 19 January 2005

[MR. DAVID TAYLOR *in the Chair*]

Gas (Integrated Energy Policy)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Ainger.]*

9.30 am

Mr. David Stewart (Inverness, East, Nairn and Lochaber) (Lab): I welcome the opportunity to initiate this debate about the future of gas in an integrated energy policy.

As I looked back over the past 40 years, I was struck by a series of images, in all of which energy was a factor. They included Ted Heath and the three-day week; the winter of discontent, when oil prices boomed, reaching four times their previous level; and, more recently, the fuel protestors of 2000. In the few moments that I have this morning, I want to ask a few questions and, I hope, get a few answers.

The key issue is how important gas is for the United Kingdom's energy needs. Are the tabloid headlines correct when they say that lights will go out all over Britain? Is that fantasy or foresight? How secure are our sources of imported gas? How much gas is left in the UK continental shelf?

Is European market liberalisation the answer, or should we be building our indigenous energy market? Perhaps both objectives are right, and we should be aiming to achieving both. What will be the impact of the change in the UK's status from being a net exporter to a net importer of gas, perhaps even this year? How important are our gas interconnectors to Europe?

What about storage? What about LNG—liquefied natural gas—which will be a much more attractive prospect over the next decade?

What is the view of industry, particularly that of the United Kingdom Offshore Operators Association? What is the view of the Office of Gas and Electricity Markets, which was set up to regulate the industry?

The UK's natural gas reserves come mostly from indigenous supplies in the North sea and the Irish sea. There is a debate about when we shall become a net importer of gas, although the fluctuating balance between imports and exports already means that we are a net importer of some months. In answer to a parliamentary question, my hon. Friend the Minister for Energy and E-Commerce told me that the UK would become a net importer in about 2005.

Another factor comes into play, however, because previously uneconomic reserves in the UK continental shelf may now be recoverable as the price of gas increases. Much the same argument applies to oil, as hon. Members who heard my Adjournment debate on oil last year will appreciate. A recent Library brief tells me that between 70 and 90 per cent. of UK gas will be imported from 2020; that is obviously a very high level of importation, and it will grow as UK reserves dwindle and—there are, of course, two sides to the equation—demand increases.

There is a variety of risks to domestic and imported gas supplies. At the most general level, there is political instability in exporting regions and the possibility of terrorist attacks on pipelines; there is a lack of peak-demand storage in emergencies; there are economic pressures during price spikes and levels of peak demand in cold weather. Let me be clear, however: I am not for a second suggesting that all those factors will come about, and I would certainly be very surprised if they all came about at once.

What we need is a rational, cool and calculated debate about this country's future energy needs. We must assess future demand and supply trends so that we can plan now. Although my emphasis is on gas, right hon. and hon. Members may wish to throw into the equation the other important energy sources, such as nuclear, oil and renewables.

The Government have made security of supply a key plank of their energy White Paper and energy policy. They propose a variety of means, such as the diversification of energy resources, particularly renewables. They also envisage demand reduction and energy efficiency, which we must never forget: it is not enough to produce more; we must also consider how efficiently we use these scarce resources.

Action on fuel poverty is a subject dear to my heart. I represent a highland seat, and, of course, the temperatures there can be very severe, as I experienced at first hand yesterday. Our fuel consumption is therefore higher and, arguably, we are not that strong on conservation issues such as house insulation.

It is important to consider how well our market is regulated, particularly through Ofgem, and that is an issue that the Government have pushed. However, what about gas, specifically? The key point, as I mentioned earlier, is that we have to consider this debate through the lens of becoming a net importer. A series of factors not so relevant to exporters comes into play for importers. For example, the reason why we do not have such a well developed LNG industry is that we had so much gas offshore that it was not economically useful to start tankering it round the world. There is a different argument about balance now that we are importing gas.

A mixture of inputs is needed in relation to gas. First, we must examine the important issue of adequate storage. What is adequate now—we have 4 per cent. storage—will not be adequate for an importer, but we can perhaps come back to that later. We have to consider demand modulation at peak times and a variety of secure sources of gas for importation. At present, with natural gas, there are two natural not barriers but choke points, and those are our interconnectors, which are crucial to the future development of natural gas.

Importation is complicated because it is about negotiation—part commercial, part political. A mix of issues to do with location and technical matters has to be considered. When I was undertaking research for the debate, I was surprised to find that there is an issue about quality of gas. From an outside perspective, we might think that gas is gas is gas, but that is not quite right; we have to consider the quality of what we are importing.

Of course, we cannot have only two interconnectors. A number more are planned, and of course I support that, but let us throw one statistic into this argument: the

[Mr. David Stewart]

input capacity through our interconnectors is 8.5 billion cu m per year. That sounds all well and good, but we must consider the other side of the equation: what are our gas needs? Current gas demand in the UK is 100 billion cu m per year. I am sure that hon. Members' mathematics is better than mine, and that they can work out that there is a choke point, in terms of reliability of importation. New interconnectors are coming on-stream, but they will not be available tomorrow. There is a lead-in time, and that is crucial.

Sometimes there is too much tabloid chat about instability in imports. Norway and the Netherlands are our main sources at present, and I would not argue that either of those countries was particularly politically unstable. We have fairly secure agreements with them, and I do not have particular worries about that. It is perhaps countries further afield that we need to consider.

A key point is our 2003 energy pact, signed with the Norwegian Government, and the agreement to develop the Brit pipe. That is an excellent development that I warmly support. The capacity of the Brit pipe, when it is on-stream, will be 25 billion cu m a year, which is a quarter of current UK gas demand. That will be an effective new interconnector when it comes on stream in 2007.

Further interconnectors are planned, and there will be upgrading of our current interconnectors, which will give us greater capacity. That is useful for increasing security of supply. There are future proposals, which include a Russian pipeline, although the press had questions about how viable that would be in the short term. Increasing the number of pipeline entry points for imports is important. It would make the UK less vulnerable at a critical time when we are changing the import-export balance.

As we all know, Russia is the world's largest gas exporter, but reserves are often in remote, isolated locations, and that makes them more vulnerable to disruption. There are arguments about terrorist attacks in Russia that I would not want to overstate, but that worry certainly makes Russia a higher risk than Norway and the Netherlands. Further afield, African countries with exportable gas include Algeria, Egypt, Libya and Nigeria. In the middle east, the biggest player is certainly Iran, followed by Saudi Arabia, Qatar and Abu Dhabi.

What about storage, an issue that I touched on earlier? On one level—arguably a naive level—storage is relatively low in the UK. We have about 4 per cent. of storage of annual consumption. That compares with 20 per cent. in some European countries, but we have to consider the context. Four per cent. is fine. We have large reserves in the United Kingdom continental shelf and are exporting. We could argue strongly that part of our storage is the UK continental shelf itself, particularly the Rough field in the southern North sea. It could be argued that storage is effectively in pipelines going to the St. Fergus or Bacton terminals.

The Government have kept security of supply under review. Through the Department of Trade and Industry, the Ofgem Joint Energy Security of Supply working group—the JESS group—warned in 2002 that peak demand could exceed peak gas supply by 2004–05 if investment in gas storage or infrastructure is delayed.

What about LNG? That is a vital prospect for the future. LNG—this is where my chemistry and physics are sorely tested—is, as the name suggests, natural gas refrigerated as a liquid, reducing it to one 600th of the volume of gas vapour. Here my chemistry really struggles, but this suggests that an LNG tanker contains 600 times more energy than a tanker of the same size filled with natural gas. I would appreciate it if there were no questions on this, Mr. Taylor—I would be sorely tested.

The first LNG tanker came to the UK way back in 1964, to Canvey Island, from Algeria, the leading LNG supplier. Algeria has spare capacity to supply the UK, which is encouraging, looking at the global resources available to us, and creates a great advantage for LNG—that is, ease of supply via tankers. As I understand, it is not economically productive to tanker natural gas, because the sums do not add up. It is worth while tankering LNG.

I predict a major growth in this sector, through tanker links with global reserves, which are easier than the costly and more vulnerable pipelines. I am not arguing for a second that these things are mutually exclusive. We need to see a development of importation of natural gas and of LNG. I just wish to make a point about the security risks.

New markets in LNG may well be stimulated by pioneering new gas-to-liquid technology. Again, I do not feel comfortable about advancing such an argument, but I understand that the new process is the Fischer-Tropsch process, which develops LNG for the future.

New LNG importation facilities are planned and I warmly welcome them. There are at least three different proposals to develop terminals—for example at Milford Haven and the Isle of Grain. They will not come on stream immediately, but will make a huge difference to our LNG market in future.

What is the European perspective on this? That is important. The first gas directive was in 1998, and the Lisbon council of 2000 urged rapid liberalisation of gas as part of a drive to complete the single market and improve EU competitiveness.

As we become a net importer, access to a liberalised and competitive market is important. The Commission gave evidence to the House of Lords Select Committee on the European Union—House of Lords paper No. 105—which said that 80 per cent. of the world gas reserves were in economic reach of the European market. That is good news. The key is diversification and security of supply. What that Committee recommended, as I understand it, is that more strategic stocks should be held from when we stop becoming a net exporter. Perhaps my hon. Friend the Minister might comment on the change in status, as we become a net importer. Will there be any change and will the Government have to increase the immediate strategic gas reserves held in the event of an emergency?

Demand is also changing. There is going to be a growth of about 3 to 4 per cent. per year, boosted by the new gas-fired electricity-generating power stations. To make a quick constituency point, I can suggest to the gas

industry how it can increase demand in the highlands and islands, particularly on the mainland. That is by providing for more remote and rural communities to have access to mains gas. Giving remote communities access to the mains transmissions lines is a real problem, although I would give honourable mention to Transco, which has been helpful in my campaigns in efforts to link communities such as Ardersier in my constituency.

The issue in future is not so much the availability of gas so much as the ability to move it from place to place, from where it is produced to markets. As I suggested earlier, by 2010 the statisticians suggest that we will be importing 50 per cent. and that by 2020 we will be importing between 70 and 90 per cent., which is a tremendously high statistic. There is then a higher risk regime of power cuts, vulnerability and so on. As I said earlier, I would not over-stress those risks, but we must have a cool and rational discussion about what the security threats are.

So, in the jargon, what happens is a low-probability, high-impact event. We understand that the Government have an emergency committee and incident response plans which are geared-up to consider these matters. Yet, as Dr. Robert Skinner, Director of the Oxford Institute for Energy Studies, said in *The Parliamentary Monitor*, page 8, in December 2004:

"Absolute security of supply is an illusion, its pursuit unacceptably expensive. Energy security is a concept based on meeting likely risks at acceptable cost."

The United Kingdom Offshore Operators Association, UKOOA, also recently produced a helpful paper entitled "Security of gas supplies", arguing that although UK gas production has reached maturity, there are still considerable reserves. It argues that there are four issues that we should consider: first, maximisation of the exportation of our current gas reserves; secondly, diverse and secure gas supplies; thirdly, availability of transmission infrastructure; fourthly, tools to meet short-term demand peaks. The first issue I welcome warmly. As a member of the all-party group on gas safety, I have looked very closely at this and am a particular fan of the "fallow fields" initiative, where we can exploit fields which might not be worth developing by some larger companies, but which have worked well for some of the smaller companies. I know PILOT has particularly pushed that. I am keen to see our reserves on the UK continental shelf fully exploited. Clearly that goes for oil as well.

I have already touched on secure and diverse gas supplies in LNG, looking at Russia via long-distance pipelines and developing more interconnectors. Thirdly, in looking at the availability of transmission infrastructure, the main argument is to bring in a stream of new interconnectors. The final issue is about tools to meet short-term demand, and issues about supply swing, looking at cutting supply to key industrial customers when there is peak demand, and looking at storage. With LNG, that will be above-ground storage.

The key point for UKOOA

"is the ability of producers to exploit their gas reserves fully and deliver that gas at minimum cost to the market, rather than the availability of those gas supplies *per se*."

Ofgem has also examined this issue and commented on the assessment by the National Grid Transco that security of supply in gas can be maintained this winter under average and severe winter conditions. In case of very severe winter conditions, NGT says that security of supply can be maintained by large users reducing gas demand. I thought it lovely that they are called "interruptible customers". It is a new part of our argument that those large industrial users have a deal where they will cut off at peak times.

Ofgem says that UK gas supplies are declining faster than expected. Though there is no immediate threat, more expensive options might have to be used in the long term. Clearly gas is a key player in the UK's energy mix. We know that demand will double by 2030, because gas will be the fuel of choice for electrical power generation. Global reserves, particularly in Russia and the middle east, are more than large enough to meet the likely increase in demand. There is an argument that gas is a different market from oil, where with OPEC there is more of a cartel operating than in gas production. Of course, until construction of our new interconnectors, and upgrading of one of our two existing interconnectors, the House of Lords Select Committee on Gas may have a point that there will be a tightness of supply in the short term—perhaps over the next two or three years.

LNG, although first seen in the UK in the 1960s, offers greater portability than conventional gas. The three UK developments planned provide a greater security of supply of gas. The maximisation of gas on the UK continental shelf, through the "fallow fields" initiative and others, is vital. It is key that we have security of supply, which means that we have a wide and diverse range of suppliers.

What are the key issues for Government? I am sure that my hon. Friend the Minister will comment. It is a complex mix. We must say that is it not only about Government or industry, it is also about Government, industry and the consumer. We must maximise security of supply of natural gas through, as I said, a wide and diverse range of suppliers, through as many interconnectors as are practical and affordable. We obviously cannot build entirely as many as we need, because there are such huge costs involved. We need to build up and develop the liquefied natural gas business—because we have less vulnerability in terms of tankering—while emphasising energy conservation and supporting poor or vulnerable consumers, as well as keeping a watch on price, product and emissions levels. That is a heady mix indeed, not an easy series of points to sort out. Gas will continue to play a vital role, however, in meeting Britain's energy needs in partnership, of course, with oil, coal, nuclear and renewables. The dash for gas may well be past, but natural gas, in my view, will be the fuel of the future.

9.51 am

Mr. Bill Tynan (Hamilton, South) (Lab): I thank you, Mr. Taylor, for the opportunity to participate in a very important debate this morning. I congratulate my hon. Friend the Member for Inverness, East, Nairn and Lochaber (Mr. Stewart) on securing the debate. I know that he has been deeply involved in the energy markets, especially gas and oil. That is recognised by the business community in his constituency, by the trade unions and, in particular, by his constituents.

For my part, I would obviously like to associate myself with an integrated energy policy. We should have a debate on that and examine it in depth. Security of

[Mr. Bill Tynan]

supply is a major issue, which we have to continue looking at to ensure that the lights in this country do not go out. We can talk about the impact of their doing so.

I should first declare an interest as chairman of the all-party nuclear energy group. I feel strongly that any integrated energy policy should include a nuclear component. My concern is that the Government are promoting not an integrated energy policy, but a policy where most of the energy of this country will be dependent on imported gas. It would be a monumental blunder to continue along that line. It may be that we are in the run-up to a general election, and maybe we shall look at the policy in depth after that. We have had the Energy Bill, with much discussion in the House of Lords and the House of Commons. Those discussions have led us to believe that it is necessary to look seriously at the energy mix.

My hon. Friend made a point regarding the three-day week. I am old enough to have experienced the three-day week, when I worked at a small engineering company. I went to work from 7am to 7pm, and we were only allowed Monday, Friday and Saturday. I know the impact that that had on the business. Without the workers in that company working long hours—for bare time, by the way, not overtime—the company might have gone out of business. My view at that time was that it was necessary to accommodate businesses. However, we have now moved into a new age. We live in a highly technical age. We have computers, laptops, control of traffic lights and aircraft. If the lights went out in this country, the effect on its infrastructure would be devastating—we had such a situation last year when London had a short blackout. The impact on traffic, air and transport would be enormous. It is important that we look at just what the effects would be if we got the energy mix wrong.

People take it for granted that when they walk into their home, they can switch on the light and leave it on. With fridges, freezers and televisions, they have come to expect that that will happen. Energy efficiency is one of the issues that has been pressed very hard, to safeguard future energy supplies. Unless the population of this country realise the major problems that exist—realise that unless we get the energy mix right we could have energy problems—I do not think they will move towards energy efficiency. No matter how much we preach energy efficiency, they will ignore it to a degree. It is only when they find themselves with a major problem that they will move towards it. This country could be facing a frightening prospect unless we get the energy mix right. I am not against renewable energy and I want to make that clear.

The UK has targets. By 2010 we want 10 per cent. of our energy to come from renewable energy. I understand that at present some 3 per cent. does. I am sure that the Minister will correct me if that figure is wrong. The feeling is that we shall not make the 10 per cent. by 2010. There is also an ambitious target for 20 per cent. of our energy to come from renewables by 2020. That is fine; it is part of an energy mix and I would be delighted if it were to happen in the UK. Scotland is even more ambitious. At present, 12 per cent. of its electricity comes from renewable energy; its target is 18 per cent. by 2010 and it is believed that that is achievable. It also has an aspirational target of 40 per cent. of its energy from renewables by 2020. I do not know whether it will make that or not.

The renewable obligation has made it very attractive for energy companies to pursue wind farms. I understand that there are some 270 applications in Scotland this year for them. There has been some opposition, not only in Scotland but throughout the UK, to wind farms on that scale. An enormous amount of turbines, all over Scotland, would be involved in 270 wind farms. We must consider the matter carefully.

Within the Scottish Parliament, the Environment and Rural Development Committee has examined the growth of wind farms. I understand that it came to the conclusion that without looking at wave, tidal, solar and alternative sources, not to be dependent on wind farms would be the best way forward. The Committee is encouraging the Scottish Executive to move in that direction.

The rush for renewables by the power companies is generated by the fact that that there are substantial financial incentives for British Energy and Scottish Power to seek planning permission for wind farms. It is possible that we will achieve the targets that we have set ourselves. Even in an integrated energy policy and even if 40 per cent. of our energy was coming from renewable energy, we would still have to examine the mix and where the other 60 per cent. would come from.

There seems to be a determination to move to gas. I understand that 35 per cent. of energy in this country comes from gas. As my hon. Friend the Member for Inverness, East, Nairn and Lochaber said, the intention is that that would move to some 70 or 75 per cent. being imported.

Last week, the *Financial Times* had an article about energy. Its headline was, "Fear that gas supply gives Russia too much power over Europe". Leaders are concerned that over-reliance on Moscow could be an economic and political hazard. The article stated:

> "'Schroeder never speaks out on Putin's human rights abuses in Chechnya or his interference in Ukraine's affairs,' . . . Mr. Putin's increased authoritarian style at home and with neighbours has raised concern and prompted a re-examination of Europe's links with Russia. The French and British Governments are particularly worried"

about

> "Moscow's rising prominence as an energy supplier."

I am sure that the Minister will correct me if that is wrong.

We shall be in the same situation. We shall be depending on imports from Russia and the middle east for our gas supply. We shall be at the end of the pipeline. China, India, the United States and Germany will all be competing with us for the same gas from the same supplier. Does the Minister believe that that is the best option as regards stability of prices? Is he convinced that security of supply can be done on that basis?

Recently, there has been the announcement that the AP 1000 has received certification. I would promote that nuclear module in an integrated energy policy. At present, 23 per cent. of our energy comes from nuclear plants. If we are to close the nuclear power stations—I understand that there will be one left by

2025—the alternative at present is to move to gas, but gas is not the cleanest source of energy that we know of.

I attended a conference with Professor James Lovelock, who said that his green credentials were impeccable; he has planted 20,000 trees in his time. He said that the Earth was in a profoundly dangerous state and that the Government listened more to the green lobby than to scientific evidence. He said that the green lobbies had intervened, that they understood better than the Government how people worked and that they had convinced the Government that green energy through renewables was the way forward. Consequently, he said, such lobbies were recommending inappropriate remedies and the outcome was nearly as bad as if a mediaeval plague had returned in a deadly form and we had been advised to stop it with alternative medicine instead of scientific medicine. He said that the Earth was sick and could not be cured by green solutions alone; it needed a dose of nuclear energy. When someone with Professor Lovelock's credentials feels as strongly as that, Governments have to take notice.

I should like the Minister to consider seriously the energy mix that we shall have in the future. Coal-fired power stations will close unless there is investment in clean coal technology. I know that the Babcocks plant in Renfrew has the capability and the methods to convert coal-fired power stations to clean coal burning. I have spoken to people there; they are looking for investment from the Department of Trade and Industry. That would be costly, but we have to consider it. Using coal is the most flexible method that we have of generating electricity. I attended Longannet last year and watched people bringing up the boilers to heat during the peak load.

The flexibility of coal power should be involved in the energy mix. European emissions targets mean that coal-fired power stations in this country will close. Clean coal technology is one solution to move us towards an integrated energy policy. Nuclear power is essential; it is the cleanest power of them all and does not produce CO_2 emissions. The Committee on Radioactive Waste Management has started its consultation, and I hope that it reports back sooner rather than later. With the solutions that it finds for dealing with nuclear waste, we could change public perception and reaction against nuclear power.

I ask the Minister to consider seriously an integrated energy policy, which would include gas, clean coal technology, nuclear power and renewable energies. It is important that there is the proper mix in the energy portfolio. If we have that, there will be security of supply. Without it, we would depend on gas for 70 per cent. of our energy needs into the future, and that would be a mistake on a monumental level. I ask the Minister to consider seriously my contribution today.

10.4 am

Mr. John Grogan (Selby) (Lab): I congratulate my hon. Friend the Member for Inverness, East, Nairn and Lochaber (Mr. Stewart) on securing this debate. I am grateful to him for two reasons. First, he spoke with great thoroughness and insight; he made light of his knowledge of engineering and physics, but I certainly learned a great deal. Secondly, I drew Question 9 in Prime Minister's Question Time last week and was going to ask about gas prices. The problem was that the Prime Minister got only to Question 8. This debate will allow me to go on longer than I would have in the main Chamber.

In his concluding remarks, my hon. Friend said that there were at least three main interests in the gas industry: the Government, the industry itself and the consumer. During my brief remarks, I shall turn my attention to the industrial and domestic consumers of gas.

According to the best estimates that I have seen, the consumer is facing considerable increases in the price of gas: Energywatch suggests an 18 per cent. increase over the winter period. British Gas had a significant price hike in September and lost many customers and EDF, which owns a lot of companies in the south of England, raised its gas prices in January. The best estimates over the past 18 months are that industrial consumers have suffered a 40 per cent. price increase, which the CBI is beginning to emphasise and which is being reflected in hon. Members' postbags. The price of gas for manufacturing industry is probably the major issue raised with Members of Parliament, and that is reflected in two early-day motions that are before the House.

I shall quote briefly from two letters that I have received from local companies—one from Mr. Slater, managing director of Plasmor, a concrete products company with factories in Knottingley and Great Heck in my constituency. He says that his production director has calculated that

"given the 'future' gas prices"

that are predicted,

"our gas prices are set to rise by £50,000 per month."

He alleges that the market is somehow being manipulated by speculators making prices unnecessarily high.

Dr. McLenaghan, the site director of Saint Gorbain Glass UK, a French glass factory that has invested at Eggborough in my constituency, says that the price increases are putting it at a competitive disadvantage. He points out that UK prices are now

"some 25 per cent. higher than our competitors in other parts of the EU . . . these energy price increases jeopardise not only future investment, but employment as well."

The price increases are a concern for industry. Looking back at gas prices over the past two or three years, we see that in October 2003 there was a particularly large hike of 40 per cent. in just a couple of days. My hon. Friend the Member for Inverness, East Nairn and Lochaber mentioned the regulator, Ofgem, which has produced a report on the price hike and another on the large price rises during the past two or three years. Ofgem identified four different reason for the price rises: 30 per cent. was due to the connection of gas and oil prices in Europe, 19 per cent. was due to the fall-off in yields from North sea fields, which was more rapid than expected—although as my hon. Friend said, it is worth noting that we still produce 105 per cent. of what we consume at this stage—5 per cent. was due to increased storage costs, and the remaining 46 per cent. was down to market sentiment and risk.

[Mr. John Grogan]

It is worth putting on the record that at the time of the main price spike in October 2003 there was no shortage of gas, no spike in demand and no problems with any of the pipelines. The main pipeline—the Bacton to Zeebrugge interconnector—was opened in 1998 and will almost have doubled capacity by 2006. If people looked at what happened in that period, they would imagine that if wholesale prices were rising rapidly in Britain and were higher than on the continent, gas would flow from the continent into Britain through the interconnector.

I have half a degree in economics, although I hasten to add that I did not fail the other half, rather it was in history. I have a basic knowledge of economics and find the situation a little strange. It also seems strange to Energywatch, which has championed the consumer and is good at that. It is a model consumer body; it has a certain edginess, it champions the consumer unashamedly, puts a bit of creative tension into the industry and is, perhaps, a little less supine than bodies like Postwatch. It is to be commended for that.

What could be done? Energywatch makes various recommendations. First, it points out that, basically, Ofgem has no purchase at the moment.

Mr. Alex Salmond (Banff and Buchan) (SNP): I was unavoidably detained and missed the start of the interesting debate secured by the hon. Member for Inverness, East, Nairn and Lochaber (Mr. Stewart).

The hon. Member for Selby (Mr. Grogan) has laid out the problem of the direction in which gas was flowing through the interconnector, but he did not use his half-degree in economics to tell us what he thought the reasons were. Will he do so?

Mr. Grogan: I thank the hon. Gentleman for his intervention. I was going to deal with that. The wholesale gas market is now a European market, not just a British one, although it is not as liberalised in the rest of Europe as it is in Britain. Energywatch and other experts wonder whether the market is being manipulated in other parts of Europe. They also question whether the regulator has the powers to obtain the necessary information to ascertain how the market is being manipulated. It seems strange that Ofgem does not oversee the offshore industry. As I understand it, that is the responsibility of the DTI. I would have thought that the entire industry should be regulated under one regulator, Ofgem, so that it would have a better picture.

Mr. Salmond: Unfortunately, Ofgem normally has no problems with what happens offshore, but it ignores price differentials offshore. Hence, pipelines go offshore for 600 miles, which would normally be an uneconomic thing to do, and avoid the regulation of Ofgem to go to land at points such as Bacton.

Mr. Grogan: I thank the hon. Gentleman for developing that argument for me. Are there any plans to change the situation and to give Ofgem greater powers?

As I understand it with my basic economics, information is crucial to a market and how it operates. In the electricity market, anyone can look at the National Grid Transco database, see the likely state of the market in the days ahead and modify their purchase behaviour accordingly. In the gas market, purchasers know of price increases only when prices increase. That fuels panic buying, as buyers do not know whether the price is the best that they are likely to get in the near future or whether prices might fall. The inclination, especially with the price rise curve over the past 18 months, is to buy immediately, whatever the price. For a market to function properly, it needs information and informed market participants. It is worth noting that producers have to provide information on exactly how much gas is being produced and will be produced to both Transco and the DTI. That information is already known, and should be publicised to market participants.

On behalf of British manufacturing industry, the Government should be much more aggressive in Europe. They should make it one of the priorities of our presidency to try to persuade the competition authorities in Europe to mount an investigation into wholesale gas prices across the continent. That is the only way that we will get to the bottom of what exactly is happening.

Energywatch is well led by Allan Asher, and he and his staff, Ed Wilson and Richard Bates, who have been to the House and have briefed Members, recently held a seminar for 60 people from across the gas industry: producers, regulators, and industrial and domestic consumer representatives. When the basic question was asked of how many people thought that the wholesale gas market was working properly—the room was rather more full than the Chamber—only two hands went up. One belonged to a representative of the offshore industry, and the other to the chief executive of Ofgem. Everyone else disagreed, which tells us something.

That is a political issue, which is ticking away in the background. However, it is the No. 1 issue for manufacturing industry. I hope that the Government do not listen only to the operators who have produced a report. Allan Asher said that the UKOOA report is

> "little more than gas producers voting themselves a £5 billion windfall each year, at the expense of consumers . . . Consumers are paying the price for the lack of transparency in the market. If industry can't provide the information that the market needs to work properly, then it must be imposed."

I agree.

10.14 am

Mr. Andrew Stunell (Hazel Grove) (LD): I am delighted to be able to contribute to this well informed debate. I thank the hon. Member for Inverness, East, Nairn and Lochaber (Mr. Stewart), who probably has the second longest constituency name in the House, for his obviously thorough and well researched overview of the gas industry and its prospects nationally and internationally. I shall not comment on that in detail, but he left two questions hanging in the air to which I very much hope the Minister will respond. One related to the provision for storing gas in the coming years. The hon. Gentleman rightly pointed out that the UK has less storage capacity than other European Union nations, and given that we are importing rather than exporting, perhaps the Minister should turn his attention to that matter. The hon. Gentleman's second question, which is of some importance, is whether there will be a time lag

in connecting up the necessary interconnectors. If there is such a time lag, the supplies will not be accessible to us in this country even though they are on the other side of the sea.

The hon. Member for Hamilton, South (Mr. Tynan) made a passionate pro-nuclear case, which I have heard before. He knows that I do not agree with him, but I hope that the Minister will respond to his plea for investment in clean coal technology. There is no doubt that there will be a continuing demand for coal not only in this country but overseas, and bearing in mind coal's very high carbon emission potential, investment in clean coal technology is not simply an economic benefit to the coal industry in this country, but potentially a major export industry.

The hon. Member for Selby (Mr. Grogan) drew attention to the paradox of gas from a high-price market being exported to a lower-price market, which may be accelerating the price spike in the UK that is hitting domestic consumers and the manufacturing industry hard. So there are already quite a few questions for the Minister to answer before I make any contribution to the debate. I hope that the Minister will have effective answers.

One issue that I wanted to discuss but which has not yet been raised in this debate is the fact that the UK's consumption of energy is not as strongly connected to its economic growth as commentators suggest. Figures for UK energy consumption show that between 1993 and 2003, which is the last year for which complete figures have been published, there was a rise of only 3 per cent.—that is, 3 per cent. in 10 years. Over the same period, the UK's gross domestic product rose by 33 per cent. So we have to some extent managed to decouple economic growth and prosperity from energy growth. That is important to remember when we consider some of the doom-and-gloom scenarios described by the most alarmist commentators.

Interestingly, the German economy has grown by an almost equal amount and has reduced the gross consumption of energy in the same 10-year period, so we should not completely dismiss the possibility in future decades of continuing growth, wealth and prosperity and a reduction in energy consumption leading to a significant reduction in carbon dioxide emissions.

In 2003, gas was 38 per cent. of total energy consumption—a very large slice and the largest contributor to our energy mix. What happens next is clearly of great importance, and the hon. Member for Inverness, East, Nairn and Lochaber was right to bring it to our attention today. We need to know the future cost of gas and its future availability and environmental impact on the UK.

The hon. Gentleman gave a very good overview of the wide range of sources of gas. His analysis was at least as good as any that I could provide, but I have a striking anecdote to relay. Members of the energy industry select committee of the Nigerian Parliament visited Westminster and the UK last summer, and I discussed with them the state of their industry in Nigeria. They confirmed what I already understood to be true, which is that they cannot find a market for the country's gas and are burning off huge volumes each year.

Subsequently, I saw a night-time, satellite photograph of the globe provided by the *National Geographic Magazine* of America and one of the brightest spots was the sea off the west African coast where the gas is being burned off. Some of the hysteria that we hear about gas running out and so on needs to be tempered by a realisation that, throughout the world, many sellers are eager—indeed, desperate—to get rid of their product as there are many buyers who are equally eager to purchase it. Future investment needs to go in the direction of making sure that the connection is made between the two. The hon. Gentleman referred to liquid natural gas as being a means of transporting that.

We must maintain the objective of future growth in wealth and prosperity, a direction in which I am sure that a future Government would go. Moreover, we must ensure a lower energy intensity and we must ensure that conservation, efficiency and substitution of fossil fuels by other fuels receive high priority. We must remember that it should be not only transport fuel use that is a common target, but that buildings and the built environment use 50 per cent. of the energy that we consume and I hope that my Sustainable and Secure Buildings Act 2004, which received Royal Assent last September, will play a part in moving us towards that end.

Given that background, it is absolutely essential that we focus a great deal of Government attention on reducing the energy intensity with which we will have a future growth in wealth and prosperity. That means that conservation and efficiency must play a much bigger part in the strategy of any future Government. Furthermore, we must maintain investment in renewables. The hon. Member for Hamilton, South was a little dismissive of what might be happening with renewables, but rightly drew attention to the uneven focus that there has been on the development of wind energy as the sole renewable source. I say to the Minister and to him that we do not need a huge surge in the investment in renewables to achieve the Government's targets by 2050. A 1 per cent. per year growth in renewables during the next 50 years would provide us with 50 per cent. of our energy coming from renewable sources and not all from wind—we must fully accept that that would be impractical.

The hon. Member for Hamilton, South mentioned several other technologies and no doubt there will be further technologies in 50 years' time of which we are not aware at the moment. If we reached a position in 2050 when about half of our energy was coming from renewable sources of one sort or another and were successful in turning the current energy growth of 0.3 per cent. per year into a reduction in energy of 0.7 per cent. per year—a 1 per cent. per year change in our energy use in a downward direction—that would reduce our overall energy demand by 2050 to 70 per cent. of what it is now. It would leave 20 per cent. of our current energy demand to be filled by a fossil fuel or, if the hon. Gentleman had his way, by nuclear.

Even if gas provided all the 20 per cent. of energy demand, it would mean that our demand for gas in 2050 would only be half of what it is now and that we had comfortably met the Government's current targets and those of the Royal Commission on Environmental Pollution of a 60 per cent. reduction in fossil fuel. I ask the Government to listen to the points that have been

[Mr. Andrew Stunell]

made and to focus on a longer game, tackling conservation and efficiency to a much greater extent than at present.

There may even be a misconception in the original title of the debate. "The future for gas in an integrated energy policy" assumes that there is an integrated energy policy now. As the Minister knows, I have been a critic over the years of what I see as the disjointed and fluctuating range of policies that the Government have talked about. I have been critical of the slow implementation even of those on which they have passed legislation. It is extremely disappointing that whenever a target, such as carbon emission reductions or the achievement of any energy policy, is missed it is simply dropped. It seems to the Opposition that they are often blown about more by lobbyists and market forces than by any real vision or determination to get to the end of the job.

It is always a pleasure to be in a debate with the current Minister, but he knows that he is the sixth holder of his portfolio in seven years. Although he is a good and well briefed Minister, and a hard worker, that underlines the fact that we are still some way from an integrated energy policy. I hope that the Minister will tell the Secretary of State that we must try harder in future.

10.27 am

Mr. Laurence Robertson (Tewkesbury) (Con): I congratulate the hon. Member for Inverness, East, Nairn and Lochaber (Mr. Stewart) on securing this important debate and on having the foresight to do so at a time when energy is being widely discussed. There are unfortunate reasons for its being talked about—the power cuts in London and the midlands a while ago. Those cuts were not caused by a shortage of supply, but they focused people's minds on what might happen, and prompted a television programme that caused little concern.

Although the cuts were to do with infrastructure rather than supply, we should take note of them. The hon. Member for Inverness, East, Nairn and Lochaber and, more particularly, the hon. Member for Hamilton, South (Mr. Tynan), talked about the dangers and difficulties of bringing gas from as far away as Russia. That is of course a problem of infrastructure, and if infrastructure went wrong in our own country, it has the potential to go wrong again if we bring gas from across the world. The hon. Member for Hamilton, South made a good and wide-ranging speech, which covered many of the issues that I intended to raise, so I shall keep my comments fairly brief, to allow the Minister time for his reply.

The hon. Member for Selby (Mr. Grogan) made some good points about gas prices. He will know as well as anyone about the decline of the coal industry. Three mines in Selby have, I think, closed recently. He will have first-hand experience relevant to what the hon. Member for Hamilton, South was saying on the subject. I regret the industry's decline; my father was a miner and I have natural sympathy for the mining industry. However, we must recognise that there are environmental pressures on the coal industry. It may be possible to deal with those to some extent through clean coal technology, although that will require a great deal of financial input at a time when there is not as much investment in the energy sector as we might want—something that we should be concerned about.

As coal and nuclear power decline and as renewables come along—but slowly; they are at slightly less than 3 per cent. now—we must consider where our energy supplies will come from. At present, nuclear energy provides about 22 or 23 per cent. of our electricity needs. In 20 years, that will be down to only 2 per cent. unless there is further investment in the nuclear industry. We cannot predict exactly what the production from coal will be, other than that it was 66 per cent. in 1990 and it is now about 33 per cent. We do not know what it will be in 20 years, but even if it reduces considerably, and even if renewables come along as we hope that they will, somewhere between two thirds and three quarters of our energy needs will come from gas. I have made a few assumptions, but they are not outrageous assumptions; what I have described could well come to pass.

Over the past 30 years—perhaps not quite that long in terms of gas—we have had a lot of reserves from the North sea: They are starting to decline, although there are still a lot of gas and oil reserves there. We are having to look further afield for our gas supplies. I do not think that that is necessarily a terrible problem. I read in the *Financial Times* this morning that the Minister is going to Norway next month to finalise the treaty for the pipeline from that country, which is welcome. However, it will supply only about 20 per cent. of our gas needs at most. There is also the interconnector with Holland, which will come on line in 2006–07. I do not know exactly how much gas will come from that.

As we increase our dependency on gas, we will have to go further afield to get it. Russia is the obvious place to go. There is the theory that it needs the money, and therefore it will not cut off gas supplies, but tell that to Belarus, which had an interruption in its supply because of a political dispute. I do not claim to be an expert in what is happening in Yukos, the giant oil company in Russia, but I cannot persuade myself that there is not some political manoeuvring going on. I will not put it any stronger than that, but I think there is enough concern about that to give me some concern about becoming over-dependent on supplies from Russia, or any other country that does not have a stable political history.

There is also concern about the infrastructure that brings the gas to our country from so far away. The Government are right to focus on the threat of terrorism in its many forms. We cannot exclude the possibility of some terrorist-inspired interruption to our gas supply if it comes all the way from Russia. How could we get the gas here? We could bring it in a liquefied form, but we might be looking to bring it here by pipeline, in which case we would be at the end of a very long pipeline.

Just over a year ago, I visited Finland to see its new nuclear reactor plans and the way that it deals with nuclear waste. The public were persuaded to go for a fifth reactor by the Finnish Government saying, "It is up to you, Mr. And Mrs. Elector; you have a choice. We either build a fifth nuclear reactor or we depend on gas from the Russians." Unsurprisingly, they chose to have a fifth nuclear reactor.

It is interesting that 23 countries are building or planning to build new nuclear reactors. That will increase the civil nuclear capacity of the world by 33 per cent. We need to ask whether those countries are all wrong and that we are right to allow our nuclear industry to decline to just 2 per cent. and to virtually nothing in 20 years. With regard to security of supply, we must have a balanced energy policy. That has been described in previous contributions as an integrated policy; I do not think there is much difference between those phrases.

The hon. Member for Hamilton, South is not the only Member present who is old enough to remember the three-day week. Sadly, I also remember it. I think that the slogan at the time was, "Vote for Ted and stay in bed." As I am a Conservative, I should not have said that, but I remember all the slogans that were going around at the time. In our industrialised country, we had a three-day week. The television was compulsorily turned off at 10 pm. We sat in the dark for many nights—although, as I was a teenager with a girlfriend at the time, I do not think that I was too perturbed by that. However, from an industrial point of view, it was a disaster That was only 30 years ago, within our living and working memory. My point is that we were in that situation because of an over-dependence on one source of energy. We should not put ourselves in that position again in relation to coal or gas or any other single form of energy.

Mr. Salmond: While we all want to hear more about the darkness and his girlfriend, is the hon. Gentleman working his way round to saying that he and the Conservative party are as enthusiastic about a new nuclear building programme as the hon. Member for Hamilton, South (Mr. Tynan)?

Mr. Robertson: Hon. Members will be glad to hear that I am moving off the previous topic. However, I am very sympathetic to that idea. The Government are in a difficult position with regard to the nuclear industry. Any Government will be, because the most likely builder of a new nuclear plant is British Energy, and it is in severe financial difficulties. It is also constrained by the European Union judgment on its aid package—the Minister will interrupt me if I am wrong—in that it cannot run a new nuclear plant for, I think, six years. That is a further difficulty. Therefore, I am sympathetic to the idea of a new generation of nuclear plant, not because I have a greater regard for that industry than I have for any other, but because I cannot see how, without a nuclear industry, we are to secure supply or cut emissions.

If, in 20 years, we replace our entire nuclear production with renewables—that is a very big "if"—we will have got nowhere with cutting carbon emissions. We will have only replaced one carbon-free industry with another. We will not have affected emissions. If we are reducing emissions, we have to have three things: renewables, the generation of nuclear power and a reduction in electricity use—it is not a case of "either/or". If the hon. Member for Banff and Buchan (Mr. Salmond) is asking me whether, as Energy Minister on 6 May, I would sign a cheque for the nuclear industry, the answer is that no, I would not. It is a matter of getting the industry together, and asking, "What is the position? How do you see the future?", and, "Are there things that Government can do apart from signing a cheque that might encourage you to address the imbalance of supply that will happen in the near future—in our lifetime?" I hope that that is a reasonably clear answer to the very sensible question that the hon. Gentleman asked. We have to move towards a balanced energy policy if we are not to be over-dependent on one source of energy.

Nothing that I have said should be taken as an attack on the gas industry. Gas has provided a great deal of security of supply over many years. It has provided a great deal of money to the Exchequer and I congratulate those who operate the industry. They have a bright future, and they will continue to play a significant role in the supply of energy to this country. However, I would not want us to be dependent to the extent of, say, three quarters of our energy coming from gas if much of that gas were to come from countries that do not have proven records of political stability.

The difficulty is, how can a Government control that? I am not an interventionist politician. I came into Parliament to try to persuade Governments of all colours to withdraw from many areas of life—the Government are involved in too many of those. So how does one get the country to move towards the balance of energy supply that we need without being interventionist? I sympathise with the Minister, and that is not an easy thing to do. Our energy market is not a free market. It has many environmental constraints and a regulator, and a demand on it to persuade its customers not to use as much of its product as they do. I do not know whether that is a unique situation, but it is very unusual. We do not have a completely free market; we have a situation in which the Government have to keep their hand on the tiller, while at the same time not interfering to the point that makes matters worse.

As we look to the future, the Government need to give an idea to the energy industries—particularly to the coal industry—about how they think that things will go. That is not to interfere beyond where it is right for Governments to interfere, but so that we have some confidence about the medium-term future.

I do not think that we are facing electricity cuts this winter or next, unless an absolutely terrible winter coincides with a number of breakdowns in power generation across the country, events which are beyond anything that we can ordinarily control. We do not have a short-term problem. However, the hon. Members for Inverness, East, Nairn and Lochaber and for Hamilton, South have said that the medium term does not look quite so secure. I do not want to be alarmist, and no one here today has been, but we are right to raise the issues and say, "Let's not wait until the last minute and then panic."

Let us think five or 10 years ahead. Where do we see electricity supplies coming from? Is it right that we should be burning gas to produce electricity when gas itself can be used, and when there are other ways of producing electricity, including renewables and nuclear? As well as the Government indicating what sort of future they see for nuclear and coal—and therefore, by implication, for gas—we need more of a steer on the subject of renewables. The hon. Member for Hazel Grove (Mr. Stunell) said that to get half of our electricity from renewables, we need only to increase

[Mr. Robertson]

renewable usage by one percentage point each year. That is sound mathematics, and achieving it does not sound very difficult, but 1 per cent. of our electricity production is quite a lot. In round figures, it is about half what a nuclear power station would produce. It is quite a challenge to bring on renewable production to that extent.

Our party's policy is to retain the renewables obligation and the targets within it. It is also our policy to examine the internal workings of that obligation to ascertain whether it is actually producing what we want, and I know that the Government have already set about doing that. At present, the obligation is not producing what we want. There is an over-emphasis on wind power. Anyone who thinks that we can solve this country's energy problems simply with wind is living in cloud cuckoo land. I am well aware of the opposition to wind power, certainly in some areas of Scotland. We need a mixed policy, and we need to know where we are going with renewables, nuclear power and coal, which would enable us to know where we are going with gas. Once again, I congratulate the hon. Member for Inverness, East Nairn and Lochaber on initiating this important debate.

10.43 am

The Minister for Energy and E-Commerce (Mr. Mike O'Brien): I begin by congratulating my hon. Friend the Member for Inverness, East, Nairn and Lochaber (Mr. Stewart) on securing this important debate, which has been useful for the House. I apologise for arriving somewhat late due to traffic jams in south-east London, but I did receive full notes from my hon. Friend the Minister for Small Business and Enterprise and heard most of the contribution of my hon. Friend the Member for Inverness, East Nairn and Lochaber.

I thought that the contribution of the hon. Member for Tewkesbury (Mr. Robertson) was thoughtful, and I sympathised with much of what he said. He also reminded us of the importance of energy supplies by referring to the three-day week, his activities in the dark and the slogan "Vote for Ted and stay in bed." Now we know why he joined the Conservative party.

The White Paper set out our plans to ensure sustainable, secure and affordable energy delivered through competitive markets. By 2020, we envisage a more diverse energy system. It is important to stress that wind provides about a third of our renewables today, and we want that extended, but we want to see investment in a range of other renewables that is not focused on wind alone. For the next decade, however, wind will be an enormously important source of energy. Scotland, in particular, will play a substantial part in providing much of that electricity. I will return to renewables in due course.

Gas is set to remain the most significant part of the energy mix. Our estimates are that during 2004 the UK was, overall, a net importer of gas on an annual basis for the first time since, I think, 1996. Although there are variations from month to month, the long-term trend, by which we shall become a net importer of energy as a whole, is obvious. It is clearly important to reflect on the challenges for security of supply that will result from becoming a net importer again, as well as some other challenges—notably the need to update our energy infrastructure.

In today's global markets, secure and diverse sources of energy are essential for producers and customers. Ultimate responsibility for security of supply rests with my right hon. Friend the Secretary of State, and we firmly believe that that responsibility is being discharged by leaving key functions with those who have the expertise to carry them out, such as Ofgem, the national grid, and other market participants.

Mr. Salmond: I just wonder whether Ofgem's expertise is something that the Minister should rely on. Does he accept that some of the problems in the gas market identified by the hon. Member for Selby (Mr. Grogan) are a direct result of Ofgem's decisions on locational pricing in the early to mid-90s, which have been revised, sensibly, in the past couple of years? Does that not suggest that a close examination would be wise before rushing headlong to the introduction into the electricity market, by the same people, of a similar system or philosophy, which would create a heavy disincentive to the sort of expansion of electricity production from renewable sources in the north of Scotland that the Minister just welcomed and anticipated?

Mr. O'Brien: As the hon. Gentleman knows, whatever phrase can be used about the consideration that Ofgem is currently giving to the issues, "rushing headlong" is not an appropriate one. Arguably, there has recently been something of a delay in re-examining some of the suggestions. Perhaps the hon. Gentleman should revise his phraseology, whatever his views about Ofgem. It is important that the Government should have a regulator that can obtain the best information and make judgments based on the need for the market to operate effectively and efficiently. In due course, we shall receive the results of Ofgem's current consideration of the issues.

Mr. Salmond *rose—*

Mr. O'Brien: I see that the hon. Gentleman rising, and will give way to him once more, because he has been present for much of the debate, and I know that he is interested in the issue.

Mr. Salmond: I am meeting the Minister later today, of course.

What the Minister says would be right if Ofgem recognised the Government's renewable energy targets, but, as he knows, I and colleagues asked its representatives three times, during a meeting with them, whether they acknowledged and were abiding by the Government's targets on renewable energy; each time they refused to answer, saying that they were bound by different criteria.

Mr. O'Brien: Ofgem is set up under statute and is bound by the statute that set it up. The Government have renewable energy supplies targets to be reached by 2010 and 2020, and we are pursuing them. No doubt Ofgem conducts its regulatory activities with awareness of those targets, because its objectives are clearly set out

in its statute, and no doubt its representatives were merely communicating the fact that Ofgem is governed by Parliament, which has legislated to decide the basis on which it operates.

The hon. Gentleman should not read too much into his brief discussions at Ofgem. I meet its representatives regularly and am satisfied that they will consider all the issues seriously and try to ensure that the market operates effectively. We need a policy framework for energy that provides appropriate incentives, and that is one of the issues that Ofgem will continue to examine. The White Paper recognises that competitive markets can provide suppliers with incentives for reliability and the diversifying of sources. That, we believe, is the strength of our regulatory system; and, since liberalisation in 1990, the market has begun to deliver more secure energy supplies. We have made some changes to the way in which it operates, and we seek to ensure that it continues to deliver secure supplies. The national grid is forecasting that Britain's plant margin will rise over the next few years, reaching more than 30 per cent. in 2007-08, and remaining at that level to the end of the decade. In the longer term, market signals will show when new build is both needed and economically viable.

After a difficult period, there are signs of growing optimism in the power generation sector. New capacity has come on line at Immingham and Spalding, and earlier this year Centrica bought an option to build another power station at Langage in Devon.

E-ON UK, formerly Powergen, recently announced that it was to convert its Isle of Grain power station into one of the world's largest gas-fired plants at a cost of £80 million. The station is currently oil-fired, and runs only part time. Running full time on gas, the power station should produce enough electricity to power as many as 2 million homes. RWE Npower recently confirmed that it had made an application for consent to build a 2,000 MW gas-fired power station on its former oil-fired power station at Pembroke in south Wales. Those two projects alone represent more than £1 billion of investment in the future of UK energy supplies, which shows that the market is capable of anticipating and responding to future needs. We will continue to watch such issues with a great deal of care. We cannot be complacent, and we need to ensure that we have broad, diverse energy sources.

For markets to work, firms need to be confident that the Government will allow them to operate. That is why we made the commitment in the White Paper that the Government would not intervene unnecessarily, but only in difficult circumstances such as a potentially serious risk to safety. That does not mean that we are less than active. The Government have an important role in monitoring developments and creating an informed and competitive market both at home and abroad. If barriers arise, such as difficulties with planning permission or inadequate price signals, we aim to address them in partnership with business. The Government will ensure that the legal duties of the market regulators are clear and appropriate in relation to security of supply.

What particular challenges does a greater dependence on gas imports imply? First, being a gas importer is not at all unusual—either internationally or, historically, for the UK. All G7 countries except Canada are energy importers. Moreover, the UK imported more than 25 per cent. of its gas in the 1980s—we spoke earlier about the 1970s, but the 1980s is certainly within most people's recollection.

Some commentators have raised the spectre of UK gas imports being held to ransom for reasons related to political factors in other countries. Indeed, reference was made to Russia as a source of energy. We do not buy gas from Russia now, although a number of EU member states do so. They have found over the past 20 years that it is a reliable source of gas; and, despite various issues at different stages, gas supplies have not been interrupted. Indeed, as far as I am aware, the Russians have not sought to use gas supplies as a negotiating card in political discussions. They obviously want to secure a commercial advantage from the sale of their gas, and no one can blame them for that. After discussion with EU member states, we understand that that has not extended beyond the commercial operation into politics; they would be very concerned should that happen.

I understand the concerns expressed by my hon. Friend the Member for Inverness, East, Nairn and Lochaber, but so far we have had no indication that the Russians are playing that sort of political game. In any event, we are not at the moment buying from Russia; we may do so in future, but we have no plans for a direct connection between Russia and the UK.

We deal with other countries that have political and stability issues. We must buy energy from a range of sources, so that if a problem arises with one of them we can switch to the other sources and ensure that our security of supply is maintained. Several hon. Members have referred to that diversity; it is the source of our security. Diversity equals security.

It is always possible that there will be stability issues in some countries, but a move to a more globalised market does not necessarily increase the likelihood of that. On the contrary, it becomes less likely as more countries move away from state-controlled monopoly towards systems in which they deal with other countries. That means that their wealth depends on them being able to deal on a commercial basis with other countries, rather than a political basis. The broader global market in energy can be a source of increased stability, rather than instability.

Given the inevitable decline of indigenous gas supplies in the UK, new infrastructure developments are required to ensure that we continue to meet high winter energy demand. A number of projects are currently under review or under active construction, as the market responds to that opportunity. One example of that is additional import connections to Norway. I hope to visit there shortly, and to discuss with my opposite number the conclusion of treaty negotiations with the Norwegians to ensure that we have strong supplies of gas from the country. The details of those negotiations are being completed. We have almost agreed the treaty; all that we are looking at now are some issues around translation and some administrative issues. We have almost got there; I hope that we can get the treaty signed in the not too distant future. That will provide us with a good source of supply from a country with which we have an extremely friendly relationship, and which is very stable.

[Mr. O'Brien]

LNG terminals are also necessary to import gas from other worldwide sources, and they are being built. We need more interconnection with the European Union. We need pipeline upgrades to increase interconnector import capacity, and we need both onshore and offshore gas storage facilities, as well as access to EU supplies.

Before all of these projects are completed, gas supplies might be tight if demand rises to high levels in the coming winter or the one after that. In such circumstances, we would look to the market to provide the appropriate response through demand management. The ability of the market to deliver large-scale demand response has to be tested, but we have already seen some small-scale examples of large customers choosing to curtail their demand in response to high gas prices. National Grid Transco has calculated that large amounts of demand-side reduction could be delivered by the electricity generating sector itself, without threatening any security of electricity supply.

The electricity generating capacity position is another crucial issue. There has been some wild talk in the newspapers about lights going out and so forth. Some things are possible but unlikely, and the prospect of that happening is extremely unlikely. However, I cannot give a 100 per cent. guarantee that that will never happen; we have just seen how storms have produced problems in the north of England and in Scotland, where thousands of people have been cut off, so such situations arise from time to time.

Last year's experience provides an interesting example of how the market responded. The March 2003 update to the seven-year national grid statement showed the projected plant margin for the winter as being only 16.2 per cent. That seemed low compared with the actual margin in previous years, which had been about 20 per cent. We signalled our concern, and by October the margin had risen to 19.3 per cent. Therefore, the forward price signals, coupled with the summer of power cuts which has been referred to, appear to have worked.

Mr. David Taylor (In the Chair): Order. I confirm that in the light of the conditions in the Chamber it is acceptable for hon. Members to remove their jackets.

Lockerbie

11 am

Mr. Tam Dalyell (Linlithgow) (Lab): This is my 17th and probably last Adjournment debate on Lockerbie. On the sixth occasion, 10 long years ago on 1 February 1995, Douglas Hurd, who I am told was the first Foreign Secretary to answer a Back-Bench Adjournment debate since 1945, said:

"All significant information relevant to Lockerbie obtained by the intelligence agencies—or anyone else, to my knowledge—is invariably and as a matter of course provided to those who are responsible for the investigation."—[*Official Report*, 1 February 1995; Vol. 253, c. 1058–9.]

I am sure that Douglas Hurd spoke in good faith, but I just ask to wonder.

In 1998, Lady Symons told a group of Lockerbie relatives that Her Majesty's Government had a duty to find out why British nationals were killed at Lockerbie. Who was responsible, and how could it have happened? I wonder, as do Pamela Dix and Dr. Jim Swire of the Lockerbie families group, who are here today, whether Her Majesty's Government are fulfilling that duty.

In the Prime Minister's letter of 19 July 2004 to Lockerbie relatives, he writes:

"I entirely share your concern that we learn from Lockerbie and do all we can to prevent such a tragedy happening again."

How can we do that if we do not know the whole truth?

The aim of my next question is to try to establish some part of this very complex truth. Did British intelligence know, or was it informed, that a fifth improvised explosive device, allegedly not recovered but once in the possession of a terrorist cell of the Popular Front for the Liberation of Palestine general command in Germany in late October 1988, was larger than the Toshiba Bombeat single-speaker radio cassette recorder adapted to become an improvised explosive device and found in the possession of the same PFLP-GC terrorist cell, and that the twin-speaker device, which was used in the Lockerbie murders, was larger than the Toshiba Bombeat single-speaker version?

If the UK intelligence services did know or were informed that the so-called fifth device was larger than the Toshiba Bombeat single-speaker radio cassette recorder, adapted to become an improvised explosive device, and that the twin-speaker Toshiba radio cassette recorder was larger than the single-speaker version, was that information given to any police force in the UK? If so, to whom was it given and when?

What were the total costs, incurred directly or indirectly, in connection with the visits made by the prosecution witness, Anthony Gauci, and members of his family, to the UK and Holland between 1 September 1989—a decade before the Scottish Parliament was set up—and 1 September 2002, including travel, accommodation, allowances, subsistence, police time and transport? Who authorised such costs? Do Her Majesty's Government know of any direct or indirect payments or payments in kind offered or made to Anthony Gauci, or to any members of his family, by any organ of the UK Government? Do HMG know of a payment of about $4 million to Gauci from American sources? What was the approximate value of any such payments or payments in kind to Gauci? When were

they made or provided, by whom and out of what vote? Does the United Kingdom know, through any British agency, of any offer or arrangement to meet the costs or provide funds, directly or indirectly, for the actual or prospective resettlement of Anthony Gauci—a Maltese citizen and prosecution witness in the Lockerbie trial—or any member of his family, in Australia or any country south of Malta? If so, what were the details of any such offers or arrangements and when, and by whom, were they offered or made?

The Crown Office issued a press release on 10 May 1995 about the late Alan Francovitch's film "The Maltese Double Cross", acknowledging that the US Drug Enforcement Administration was running controlled drug deliveries through Frankfurt and London to the USA in 1988 and 1989, in collusion with the German Government. Do HMG still believe that that was so? I have given 48 hours' notice of these questions, and I hope that I have left time for a serious Foreign Office reply.

Mr. Henry Bellingham (North-West Norfolk) (Con): I am sorry for asking the Father of the House to give way just as he is ending his speech. However, is he aware of my constituents, Martin and Rita Cadman, who are the parents of one of the victims on the aircraft? Above all else, they want closure. They want the truth; for them that is very important. They want to get on with their lives. Is the hon. Gentleman also aware that most of the relatives feel that the Libyan leader was forced into making his offer to them, for purely political reasons? They are not impressed by it; they want the truth more than anything else.

Mr. Dalyell: I simply respond that Martin Cadman is an extremely serious and well informed member of the Lockerbie group of relatives. He and his wife had a most terrible loss, as did the other relatives.

I say to hard-working Ministers and Foreign Office officials that, at one level, I am sorry to bother them about events that began 16 long years ago and that perhaps could only have been fully explained by the late Abu Nidal—who was murdered in Baghdad, probably by associates of Saddam Hussein—or by people, either dead or long since retired, in Washington. However, on another level, I do not apologise. Those relatives passionately believe that they are entitled to the truth. In Barlinnie prison there is a man—Abdelbaset al-Megrahi—who I believe was a sanctions buster for Libyan Arab Airlines and the Libyan oil industry, and not a mass murderer.

11.19 am

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Bill Rammell): I take the opportunity to congratulate the Father of the House, my hon. Friend the Member for Linlithgow (Mr. Dalyell), on securing this debate to discuss matters relating to Lockerbie and talk about the recent developments in the UK-Libyan relationship, which are also relevant. I pay tribute to his persistence and sustained interest in his inquiries as to what happened with regard to Lockerbie. He referred to the fact that that horrific and tragic event took place 16 years ago and said that this was his 17th Adjournment debate on the subject. He has persistently pursued the matter in a way that is remarkable and to his credit.

I also pay tribute to the Lockerbie families. Their courage and determination throughout the years and in the face of such a tragedy are impressive and humbling. Nothing can ever bring back their family members, but Libya's formal acceptance of responsibility for Lockerbie, and the payment of compensation to the victims' families, are important and have been recognised as such by the families.

Before I turn to the foreign policy aspects of Lockerbie, I wish to underscore this Government's satisfaction with Libya's reintegration with the international community in the past 12 months. As the Prime Minister rightly said when he visited Libya in March 2004, we are aware of Libya's past record but we should acknowledge and support change where we judge that it is real; otherwise, we never make progress in international relations. It is right that we should seek to consolidate and build on that improvement in relations.

Libya's dismantling of its weapons of mass destruction programmes and the formal acceptance by its Government of responsibility for the Lockerbie bombing are particularly welcome and important developments. It is worth noting that there have been other signs of progress, including rapprochement between Libya and the EU, payment of compensation to the families of the Lockerbie victims and settlements in the French and German claims for compensation.

Mr. Bellingham: I am grateful to the Minister for giving way and for what he has said so far. Would he not agree that the families have said that the compensation is a step forward, but is pretty meaningless in the absence of getting the truth out? The total amount of compensation that Gaddafi is offering is minute compared with Libya's oil revenues. The families really want some progress on the truth.

Mr. Rammell: On one level I accept the thrust of what the hon. Gentleman is saying. We left the negotiation on the compensation to the lawyers, because that was the correct course to take to get the best deal and justice for the families of the Lockerbie victims. I will deal later with the issue of wanting truth and closure.

It is clear that a policy of engagement with Libya has the potential to bring this country and its people further benefits—political, strategic and commercial—in the future. A Libya that has renounced terrorism and abandoned its weapons of mass destruction programmes is a safer neighbour for the EU and the UK. I should like to say a final word on this subject: the case of Libya demonstrates that international relationships can be transformed. Difficult problems, such as the proliferation of WMD, can be resolved through discussion and engagement if political will and commitment is present on both sides. What has happened with Libya is a model that I hope North Korea will follow, recognising that it is possible to make progress on such issues by genuinely engaging with the international community.

I have set out the Government's approach to UK-Libya relations. Let me turn now to the points that my hon. Friend raised in his speech. I am grateful for the fact that he gave advance notice to my office of his line of questioning, but he has asked many detailed

[Mr. Rammell]

questions and if there are gaps between what I am able to say and the fullness of my answers, I shall write to him. Some of my hon. Friend's points are the responsibility of the devolved Administration in Scotland, and I will ensure that those issues are passed on to the authorities there, but I shall certainly try to deal with his main points.

Mr. Dalyell: As to the responsibilities of the Scottish Parliament, that is a very grey area, because many of my questions referred to the knowledge of the Government in London before the Scottish Parliament was set up in 1999.

Mr. Rammell: Certainly, I will do my best on the points that relate to the responsibilities of the UK Government, either today or subsequently in writing. However, there are elements that relate to devolved responsibilities and functions that have been transferred to the Scottish Parliament and Executive. It is appropriate for me to ensure that they are aware of the issues that my hon. Friend has raised, and I will do my level best to ensure that they respond to him.

Let me now deal with what, in many senses, is the central thrust of the argument of my hon. Friend and the hon. Member for North-West Norfolk (Mr. Bellingham): the case for an independent inquiry into Lockerbie. I know that my hon. Friend has long taken the view that there should be an independent inquiry into Lockerbie. Some 270 people died, and in such circumstances, as Ministers have said before, there is both a moral and a practical imperative for Government to seek answers to the key and fundamental questions.

The search for answers about Lockerbie involved unprecedented police, diplomatic and legal efforts. The unique format of a Scottish court sitting at Camp Zeist in the Netherlands led to the trial and conviction of Abdelbaset al-Megrahi. His conviction, as my hon. Friend will know, has since been upheld on appeal. The trial and Mr. al-Megrahi's conviction answer many of the key questions about what happened at Lockerbie. The court heard evidence about how the bomb was loaded on to Pan Am 103. It established that the attack was carried out

"in furtherance of the purposes of the Libyan intelligence services"

and that Mr. al-Megrahi, an agent of the Libyan intelligence services, had been involved in the conspiracy to bomb the plane.

I appreciate that there are other questions that some feel were not addressed in full by the trial. I fully understand that this is undoubtedly a particularly sensitive issue for the victims' families, many of whom have pressed for an independent inquiry into the tragic events at Lockerbie. Let me assure hon. Members that we take the families' concerns extremely seriously. Ministers and officials have had regular contact with the families over the years and have listened very carefully to them. The Prime Minister met representatives of the families in spring 2004 when he returned from Tripoli. The Foreign Secretary has also met the families, rightly, on a number of occasions.

The Government have given proposals for a further inquiry into Lockerbie careful consideration on a number of occasions; I know that to be the case. In regard to the case that my hon. Friend made for an independent inquiry, I have to say that such an inquiry would be a further inquiry because, of course, a number of inquiries have already taken place. Those include the Camp Zeist trial and the fatal accident inquiry, a published report following the expert investigation by the Air Accidents Investigation Branch, and Mr. al-Megrahi's appeal against his conviction. Much information came to light, perhaps inevitably, in the course of those inquiries and trials.

I do respect the view that the issue should be reconsidered in light of improvements in the bilateral relationship established between the UK and Libya. The improvement is welcome and we remain determined to continue the process of bringing Libya back into the international community, but that does not alter the fundamentals that led us, after long and careful consideration, to reject the idea of a further inquiry.

As my right hon. Friend the Foreign Secretary has told the families and Parliament, given the absence of any significant new information, the fact that the key issues have already been extensively explored, and action taken, including substantial changes to airport procedures, it is most unlikely that any further form of inquiry would unearth further lessons to be learned—some 16 years after the event, as my hon. Friend said—that had not been identified during earlier investigations.

There undoubtedly remain a host of theories and issues on this subject that have developed over time. It is not the place of the Government to assess those theories. That was, and must remain, a matter for the prosecuting authorities. It is clear that such theories can be based only on an incomplete knowledge and understanding of the mass of evidence that was available to the prosecuting authorities, through which these matters were investigated in extraordinary detail.

It also remains a matter for the Scottish prosecution authorities to decide whether further inquiries into the criminal case are appropriate. As the independent head of the prosecution authorities, the Lord Advocate addressed the Scottish Parliament following Mr al-Megrahi's conviction for murder in 2001. On that occasion, he made it clear that the criminal investigation remains open as regards the involvement of others with al-Megrahi in the bombing, but that there was insufficient evidence to justify bringing criminal proceedings against any individual. That remains the case, as I understand it.

As anyone who has followed the case knows—certainly my hon. Friend the Father of House does—the possibility that an extremist group might have been responsible was thoroughly investigated on a number of occasions. No credible evidence has been found to substantiate any theory other than that which led to charges being brought against the two Libyan individuals—that was certainly the assessment of the prosecuting authorities.

The case was put together after the largest investigations to take place in respect of any crime that has been committed in the UK. The crime committed was unique in the history of crime in this country, and our concern, as always, was rightly that justice should be done. The dedication of the Dumfries and Galloway constabulary, and the efforts of the families in their

pursuit of justice, was rightly admired by all. *[Interruption.]* As we certainly know, the Scottish judges in the Netherlands returned their verdict on 31 January 2001, and one of the two accused, al-Megrahi, was found guilty of the murder of 270 people on Pan Am flight 103 over Lockerbie. The second, Mr. al-Fhimah, was acquitted. Mr al-Megrahi's appeal was not upheld.

In view of the time that has elapsed during the investigation, and the fact that some of the detailed matters raised by my hon. Friend are properly for the devolved Scottish Administration, the information relating to some of his questions lies outside the grasp of the Foreign Office. I will nevertheless deal with the specific points raised, with the knowledge that has been made available to me.

Mr. Dalyell: What is not outside the UK's purview is whether moneys were paid to Mr. Gauci, and if so from what sources. If the Minister cannot answer that today, I do not make any complaints—but he has had 48 hours' notice and I really would like a detailed letter on this.

Mr. Rammell: I will happily address that point, but let me refer in turn to the points that my hon. Friend has raised.

My hon. Friend has raised the possible use, by the Popular Front for the Liberation of Palestine general command, of a Toshiba radio cassette as an improvised explosive device. On the face of it, it is indeed striking that the radio cassette player was of the same make as that used in the attack on Pan Am 103. As my hon. Friend points out, it was, however, a different model. More importantly, the timers were found to be of a different kind. The court looked in detail at the apparent connections between this case and Pan Am 103—they had the full information before them—and concluded that there was no connection.

My hon. Friend has also raised a number of detailed questions about the prosecution witness Mr. Gauci—with notice but, with the time it takes to pull information together, at short notice. On his request for the detail of the costs of Mr. Gauci's visits to Scotland, I have not been able to pull together the costs within the time available, but I will write to my hon. Friend. However, for the record, let me make it absolutely clear that any visits to the United Kingdom were appropriate and necessary, and were related to the proper investigation and prosecution of the case. There is no question of any inducements having been offered by the UK authorities to any individuals during the Scottish authorities' inquiries.

My hon. Friend asked about Mr. Gauci's possible relocation to Australia. I am not aware of any such arrangement. However, I will write to my hon. Friend once I have had the opportunity to look at that claim in detail. He should not assume anything from that. I am not aware of any information about that, but I will check it out further. I will do the same as regards the $4 million payment.

My hon. Friend also raised the issue of the press notice issued by the Crown Office in 1995. I am not sure he quite does justice to what was said in that statement, which quoted from a statement made in the House on 1 February 1995 by the then Foreign Secretary, who was himself quoting a United States official. The press statement said:

> "As the Foreign Secretary told the House of Commons on 1 February, the acting Administrator of the United States Drug Enforcement Administration stated publicly to United States Congressional investigators in 1990 that while they did conduct controlled drug deliveries through Frankfurt in 1989 with the co-operation and supervision of the German authorities no controlled deliveries were conducted anywhere in Europe during or immediately before December 1988."

I think that that addresses my hon. Friend's concern.

There may be parts of the detail that I have not picked up from my hon. Friend but I hope that I have managed to deal with the fundamentals of the Government's approach to the case. I shall certainly look carefully at the record of my hon. Friend's remarks to see whether I can usefully write to him on any other matters. If this does prove to be my hon. Friend's last Adjournment debate on the subject, I want to take the opportunity to recognise the diligence with which he has pursued these issues and the spirit in which he has raised them. He has done an enormous service to the families of Lockerbie, and it is right that that is recognised.

In conclusion, my thoughts and concerns remain with the families whose lives were fundamentally devastated by the Lockerbie bombing. It is one of the most appalling terrorist attacks ever to beset this country. The investigations and compensation are progress, but nothing will ultimately ever reverse the appalling events that took place back in 1988. Nevertheless, I congratulate my hon. Friend on securing the debate and giving it a further air.

Mr. Dalyell: I should like to take the opportunity to thank the Minister and his officials. There are terrible problems for things that happened, not in the time of his father, grandfather, great-grandfather or great-great grandfather in Foreign Office terms, but long ago. I can imagine that it is difficult to go through archives. However, there is also a general problem with the responsibilities of the House of Commons and of the Scottish Parliament. You would have ruled out of order some of the questions that one would have liked to ask, Mr. Taylor, because they concern the Crown Office. The Crown Office has a moral obligation to be forthcoming in all that it knows.

Mr. David Taylor (in the Chair): Order. Mr. Rammell.

Mr. Rammell: Briefly, in response to that point, there is a proper division of responsibilities between the UK central Government and the Scottish Parliament. Nevertheless, I will ensure that the points that my hon. Friend has raised will go to the Scottish Parliament, Executive and relevant authorities, and I will ensure that he gets an answer.

Mr. Dalyell: Thank you.

11.30 am

Sitting suspended until Two o'clock.

United Nations

2 pm

Mr. John Bercow (Buckingham) (Con): I welcome the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Harlow (Mr. Rammell), and I am delighted to have secured the debate on this day, as it is my birthday. My interests are declared in the Register of Members' Interests, and I remind Members that I am parliamentary adviser to the human rights charity, Christian Solidarity Worldwide.

Some people, notably political isolationists and extreme nationalists, might think that the United Nations is a threat to national sovereignty, but I do not. I shall put my cards on the table. I speak as an internationalist. I do not accept the law of the jungle, I have no desire to turn a blind eye to the conflict and injustice in the world and I think that the multilateral machinery for addressing inter-state and intra-state conflict and for tackling the abuse of human rights is far from perfect, but that it is better than nothing.

The UN stands at the apex of that multilateral machinery. Set up in 1945 as the chief agent of collective security, it was described only four years ago in the UN millennium declaration as

"the indispensable common house of the entire human family".

However, today it is mired in controversy: corruption in the oil for food programme, administrative incompetence, rampant cronyism, and sexual harassment of staff are among the welter of accusations it faces.

Freedom lovers might accept a plea in mitigation for all the other sins of the organisation if it at least acted to protect the oppressed; sadly, it does not. The grim record speaks for itself. In the 1990s, the UN was a craven bystander in Angola, Rwanda, Afghanistan, Bosnia and Herzegovina, and Kosovo. More recently, its troops in the Democratic Republic of the Congo have been slated as poorly equipped, badly trained and lacking in commitment. UN soldiers are accused of abusing vulnerable refugees, and 1,000 people are still dying every day. To cap it all, with regard to Darfur in western Sudan, the UN has imposed no sanctions on the Government of Sudan and sent no troops, even though the former UN humanitarian affairs co-ordinator for the region has described the situation there as

"the worst humanitarian and human-rights catastrophe in the world."

Equally disgracefully, the UN Security Council has never made an agenda item of Burma, whose brutal military junta savagely violates human rights every day.

In 2003, in the aftermath of the Iraq war, Kofi Annan, conscious of the crisis of confidence in the UN, appointed a high-level panel to consider the UN's future in the face of threats, challenges and change. Its report covers a vast terrain. I intend to focus narrowly on three issues: the UN Commission on Human Rights; the criteria for humanitarian intervention; and the scope for a peace-building commission.

The UN Commission on Human Rights was set up by the UN Economic and Social Council in February 1946. It first met in 1947. It meets annually for six weeks in March and April in Geneva. It can make statements, adopt resolutions and appoint special rapporteurs, but it cannot directly refer abuses to the Security Council. Instead, its resolutions can go to ECOSOC, which is a main organ of the UN. If it adopts them, they can go to the General Assembly. If the General Assembly adopts the resolutions, they can go forward to the Security Council for consideration. The words cumbersome and circuitous spring to mind as descriptions of that protracted process. At its best, the commission can shine a light on abuses; at its worst, it is an organised hypocrisy for tyrannies to shield themselves from scrutiny.

The essential problem lies in the three Cs: composition, chairmanship and credibility. Seats are allocated according to regional grouping: there are 15 for Africa, 12 for Asia, 11 for Latin America and the Caribbean, 10 for western Europe and others, and five for eastern Europe. At present, there are 53 members, including China, the Congo, Cuba, Eritrea, Nepal, Nigeria, Pakistan, Saudi Arabia, Sudan and Zimbabwe, to name but 10 states that are not renowned for their commitment to pluralism or respect for human rights. Yet, on 10 December 1948 when the United Nations universal declaration on human rights was issued, reference was made to the pursuit of a

"common standard of achievement for all peoples"

in terms of respect for, and observance of, human rights.

Jeremy Corbyn (Islington, North) (Lab): I have attended many sessions of the United Nations Commission on Human Rights. Does the hon. Gentleman accept that one of the deepening flaws in the process is the reduction in status of non-governmental organisations? This is their one voice in many cases; they arrive at a UN forum and voice serious detailed criticisms, often of their Governments or other Governments. Those criticisms have been systematically curtailed at the behest of a strange coalition of world powers.

Mr. Bercow: Yes, I agree. The commission would not shut out those organisations if it were committed to pluralism; a big "if", as the hon. Gentleman will concur. If its members have nothing to hide, they should not be resistant to independent voices offering their view of the behaviour of a range of Governments, including those of their own countries.

I remind the Chamber that article 4 of the charter describes the proper behaviour to be expected of peace-loving peoples. Article 6 says that, if a state persistently violates the terms of the charter, it can, in certain circumstances, be expelled from the General Assembly. Not only has none of those 10 countries been removed from the General Assembly, all are members of the Commission on Human Rights. By convention, the chairmanship of the commission has rotated by region. That has produced some shocking results. In 2000, Nepal held the chairmanship despite well-documented abuses of human rights highlighted regularly by Amnesty International and Human Rights Watch, including extra-judicial killings. In 2003, Libya was in the chair even though it has been regularly exposed for its denial of human rights. This year, it is the turn of Indonesia.

That is a bizarre irony, given that several UN special rapporteurs have had their requests to visit Indonesia denied by its Government. Those include the special representative of the Secretary-General on human rights

defenders; the special rapporteur on the promotion and protection of the right to freedom of opinion and expression; the special rapporteur on freedom of religious belief; and the special rapporteur on torture. The country has neither the humility nor the confidence to allow UN inspection of its own record on human rights, but the self-same country chairs the UN's body on the subject, thereby pontificating on the behaviour of others. In terms of stomach-churning hypocrisy, that is a gold-medal-winning performance.

What is the high-level panel's assessment of such a chronic state of affairs? It states:

"The Commission on Human Rights suffers from a legitimacy deficit that casts doubts on the overall reputation of the United Nations".

Referring to the commission's responsibility to uphold and promote human rights, the panel states that its capacity to do so

"has been undermined by eroding credibility and professionalism".

Worse, it adds:

"standard setting to reinforce human rights cannot be performed by states that lack a demonstrated commitment to their promotion and protection. We are concerned that in recent years, states have sought membership of the Commission not to strengthen human rights but to protect themselves against criticism or to criticise others. The Commission cannot be credible if it is seen to be maintaining double standards in addressing human rights concerns".

What a sound verdict that is.

Yet, from that conclusion and alongside some reasonable recommendations about the need to use prominent human rights figures in its work, the benefit to be gained from an advisory council, the merits of an annual report on human rights worldwide and the imperative of regular reports to the Security Council by the UN High Commissioner for Human Rights, the panel report drops its bombshell:

"We recommend that the membership of the Commission on Human Rights be expanded to universal membership".

Extending it in that way would admit a further 138 countries, including such noted champions of human rights as Uzbekistan, North Korea, Burma, Iran and Uganda. It is hard to see what more cowardly counsel the panel could offer. It does no service in abandoning any attempt at value judgment, plumping instead for the soft option of universal access.

Mike Gapes (Ilford, South) (Lab/Co-op): Is the hon. Gentleman suggesting that there should be a pure human rights organisation that excludes large numbers of states? The whole basis of the United Nations is that every single state in the world can be represented in international forums. The logic of the hon. Gentleman's position is that the international organisation that we have established over the past 60 years should be destroyed. I am not sure that that would be helpful.

Mr. Bercow: My response to the hon. Gentleman's intervention is as follows; I am not arguing for purity, nor do I have any expectation of it. However, states that palpably fail to respect human rights, do not acknowledge the fact of their transgressions and show no interest in or commitment to improving their record cannot credibly sit on the UN Commission on Human Rights if that body, which is bigger than any individual state and the sum of its members, is to retain credibility.

The notion of allowing universal membership is so transparently absurd as to deserve no further discussion. Yet the status quo is plainly unsatisfactory. The root cause of that unsatisfactory situation is the geographical basis for membership and the Buggins's turn criterion for chairmanship. If the UN is serious about wanting the commission to regain respectability—let alone legitimacy—I suggest that it should stipulate that membership of the commission should depend on states' respecting the human rights of their citizens. What is the Government's view?

I now turn to humanitarian intervention, the case for which needs to be made on two grounds; legal and moral. A tension exists between those who seek to uphold the principles of non-intervention and sovereignty and those who claim that the international community has a responsibility to protect fellow human beings from extreme abuse wherever that occurs. That second group has emerged as the forerunner in the debate. The Canadian Government established the International Commission on Intervention and State Sovereignty, which reported in 2001. It built on the "just war" tradition developed by academics such as Michael Walzer, who stated that the use of force was legitimate

"when the violation of human rights within a set of boundaries is so terrible that it makes talk of community or self-determination or 'arduous struggle' seem cynical and irrelevant, that is, in cases of enslavement or massacre".

When a state is visiting horrors on its people, as is the case in Darfur, such notions of self-determination are meaningless. Interventions to prevent such violations of human rights do not violate the rules of sovereignty, as their purpose is to

"uphold the values of individual life and communal liberty of which sovereignty itself is merely an expression".

This argument that human rights are at least the equal of the principle of sovereignty is central to the case supporting humanitarian intervention.

The commission's principal findings were that sovereignty implies responsibility and that the principle of non-intervention yields to the international responsibility to protect, establishing the just-cause threshold. Force would be justified in certain cases; first, large-scale loss of life, actual or apprehended, with genocidal intent or not, which was the product either of deliberate state action, or state neglect, or inability to act, or a failed state situation. The second case would be large-scale ethnic cleansing, actual or apprehended, whether carried out by killing, forced expulsion, acts of terror or rape.

The findings stressed the precautionary principles of right intention, last resort, proportional means and the reasonable prospects of success. The report stated that the Security Council was the appropriate body to give authority to such missions, but warned that where it failed to discharge its responsibility to protect in conscience-shocking situations crying out for action, concerned states may not rule out other means to meet the gravity and urgency of that situation.

The high-level panel report drew on the work of the Canadian commission, establishing five criteria to judge the merits of humanitarian intervention: seriousness of threat; proper purpose; last resort; proportional means; and balance of consequences. Moreover, it ruled unequivocally that the rights of individuals—this is of

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the essence in the debate—take precedence over the rights of states. The international community not only has the right to override state sovereignty in cases of major breaches of humanitarian law, such as genocide in Rwanda or ethnic cleansing in Kosovo, but has the responsibility to protect the human rights of the victims.

That said, in practice, the panel believes that genocide should be tolerated unless the Security Council authorises the use of force to stop it—*[Interruption.]*—Does the hon. Member for Tweeddale, Ettrick and Lauderdale (Mr. Moore) wish to intervene?

Mr. Michael Moore (Tweeddale, Ettrick and Lauderdale) (LD) *indicated dissent.*

Mr. Bercow: He merely raised his finger innocently.

I may have described a misguided modus operandi, yet if it is to be the working assumption of the UN, it follows that the working of the Security Council must be improved. The panel's failure in its report to make any concrete recommendations to that end is surely a damning indictment of its work.

Let me propose to the Government one such positive recommendation, which was made by the Canadian commission. Permanent members of the Security Council should pledge not to use their veto to prevent action against genocide, massacres or other crimes against humanity unless their vital national interests are at stake. What is the Government's view?

Finally, I turn to the important topic of the prospect of a peacebuilding commission. The high-level panel recommended the establishment of such a commission. Its task would be to identify countries under stress and at risk of sliding towards state collapse, to organise proactive assistance to prevent the process developing further, to assist in planning for post-conflict transition and to marshal the efforts of the international community in post-conflict peacebuilding for the necessary period. It would be a small body assisted by a support office and an inter-agency advisory board.

That is sensible. The problem of failed states and state collapse will vex the international community for the foreseeable future. The commission would be vital in providing the information and analysis to enable the UN to act to prevent state collapse and the inevitable suffering that follows. It would also play a crucial role in the delicate post-conflict transition stage. It is a travesty that states tend to fall off the radar of the international community when the peacekeepers leave. That is precisely when they need the most assistance.

Peacebuilding missions must be developed so as to ensure that countries do not slide back into failure and conflict. Essential work that the commission could co-ordinate and oversee includes the demobilisation of combatants, the funding of the reintegration and rehabilitation of former combatants, the building of effective public institutions and the support of civil society to establish a framework for governing within the rule of law. While I favour such a commission, far more needs to be done to improve the practice of peacekeeping. That is a crucial prerequisite of the rebuilding of states and societies.

A powerful argument against peacekeeping operations is that they simply do not work. A quick survey of recent media reports on the activities of UN peacekeepers in the Congo would seem to support that. In addition to the disturbing accusations that UN troops sexually exploited the vulnerable refugees whom they were supposed to protect, the cold truth is that they have failed to keep the peace. Conflict and skirmishes between factions continue to kill and displace civilians and prevent the difficult transition to peace.

The faults of the peacekeeping structure were highlighted by Madeleine Albright, who wrote, in 2003,

"that traditional UN peacekeepers lack the mandate, command structure, unity of purpose, and military might to succeed in the more urgent and nasty cases . . . Such weaknesses, sadly, are inherent in the voluntary and collective nature of the United Nations. When the going gets tough, the tough tend to go wherever they want, notwithstanding the wishes of UN commanders."

The panel noted that

"peace agreements by governments or rebels that engage in or encourage mass human rights abuses have no value and cannot be implemented. These contexts are not appropriate for consent based peacekeeping; rather, they must be met with concerted action."

The operational principles and rules of engagement of peacekeeping need to be developed. Troops must be made aware of the need to respect human rights and minimise the destructive impact of their actions upon civilians. Resources are fundamental. The UN needs troops, intelligence and logistical support. It needs a dependable capacity and standby arrangements so that it can deploy well-trained troops to conflict zones.

It is unfortunate that the countries that contribute significant forces—including Pakistan, Bangladesh, Uruguay and Nigeria—are often lured by the cash and military hardware they receive just for turning up. The major powers need to agree to deploy their troops. Unless they do so, the UN will be a hapless horseman riding for another fall. This is evident in Darfur, where the Security Council is relying upon the inexperienced, under-resourced African Union to enforce a fragile peace. The omens are not encouraging. One possibility might be to establish peace-enforcement missions where the Security Council would depute an appropriate major power to organise a coalition and enforce the world's collective will. This worked well in Haiti in 1994, East Timor in 1999 and Sierra Leone in 2000. What is the Government's view?

The UN has a noble mission—to provide collective security, uphold human rights and execute humanitarian missions—yet it cannot rest on its laurels, thinking that its successes in the past, or the principles of its charter, are an effective riposte to those who criticise its failures in the present. On the Commission for Human Rights, the basis of humanitarian intervention to underpin civilised values and the tools of effective peacekeeping, there is a need for reform. That reform should be bold and principled; that reform should be now.

2.23 pm

Jeremy Corbyn (Islington, North) (Lab): I welcome this debate and congratulate the hon. Member for Buckingham (Mr. Bercow) on securing it. It is timely indeed; the UN needs examining and we need to think

seriously about that. However, we should also remember why the United Nations was founded in 1945, the guiding principles behind it and how important it is that we show serious respect for, recognition of, and support for, it. That is crucial.

I shall concentrate my short contribution on two aspects; the Human Rights Commission and the non-proliferation treaty review conference that will be held in May. I know that other colleagues want to speak. As I indicated in my intervention, my experience of the UN Human Rights Commission goes back a few years. I have represented a British-based group called Liberation, in my role as chair, at the UN Human Rights Commission and at the sub-commission meetings, and short they are not. The commission lasts for six weeks, but the sub-commission—with a show of respect for people's needs and the pressures on their lives—lasts a mere three weeks. I do not pretend that I have been to all of any of the sessions—I could not possibly stay that long anywhere—but they are interesting and informative.

I concur to some extent with what the hon. Member for Buckingham said about structure. The establishment of the UN Commission on Human Rights was recognition that, since 1945, there has been a role for the world body in examining in detail allegations of human rights abuses around the world.

The UN is permanently, irrevocably and indefinitely bedevilled with the problem of being inevitably representative of national Governments around the world. Those Governments may or may not be representative of their peoples, be in control of what is happening in their own societies or be repressive of people in their own societies. The UN charter recognises all that, and includes a very special and important provision allowing non-governmental organisations to be represented. The UN Human Rights Commission is an example of that.

The pressures placed on the staff and directors of the UN Human Rights Commission are enormous. I had a great deal of time, support and respect for Mary Robinson when she was the director of the commission. She was bluntly and unceremoniously dumped because she asked too many questions, raised too many difficult issues and fell out of favour with too many Governments. We should be careful to remember the good contribution that she tried to make to the commission.

I have been to the commission as a representative of NGOs. Governments used to get 10 or 15 minutes to introduce their topic or resolution, and a plethora of NGOs could then apply to take part in the debate on the topic at the appropriate time. However, I have noticed that, gradually, the opportunities and the time allowed to NGOs, and the seriousness with which they are taken, has reduced further and further, so that we are now down to two and three-minute contributions. To say that one can adequately describe human rights abuses in Colombia in three minutes is frankly ludicrous.

We should remember that NGOs are not at the commission on a freebie; they are there, often at enormous cost to themselves, because they care passionately about human rights abuses in one part of the world or another. Unless they are given a voice, space and opportunities, Governments will simply club together and shut them up; that is exactly what is happening now at the commission.

When the Under-Secretary replies to this very important debate, I hope that he will assure me on a couple of issues. First, I mean no disrespect to those who have attended the commission over the years. As officials, they have been diligent and helpful, and I have no individual complaint against any of them—indeed, some have been extremely helpful, providing bits and pieces of advice when I or others have sought it—but the reality is that we should have a much higher level delegation there. It should certainly include Ministers, at least for the opening and closing sessions. Obviously, they would not be expected to stay for the whole six weeks, unless they wanted six weeks in Geneva every year; a very pleasant place it is, too, but six weeks is a bit long. However, they should at least be there at times.

Also, we should not continually hide behind a common EU position. Doing so often means that when issues come up, not all Governments have a position on them. Therefore, the EU delegation does not take a position, and nothing is said. We need a re-examination of that.

Also, more pressure has to be applied to give far more time, space and opportunity to NGO representatives from around the world who want to take part in the commission. I go back to the example of Colombia. There is much debate about human rights abuses there, but everyone here would agree that there are such abuses. Whether we believe that Uribe and the Government of Colombia are adequately or effectively dealing with those abuses would be an item for debate, but we would all recognise that it is legitimate for Colombian people to be represented at the commission and to put their case adequately. Remember, many of the people who attend are putting themselves at great personal risk in order to make their voice heard. The UN in its very basic charter recognised all that, and therefore gave them that voice. I think that we should recognise that too, and do our best to support them. That is very important.

Secondly, in May this year, the non-proliferation treaty review conference will take place in New York. Ironically, this comes on the 60th anniversary of the first ever use of nuclear weapons at Hiroshima and Nagasaki. I quote briefly from the founding charter of the United Nations:

> "We the peoples of the United Nations determined . . . to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and . . . to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and . . . to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and . . . to promote social progress and better standards of life in larger freedom."

This year's conference takes place five years after the non-proliferation treaty review conference in 2000. The UK and the other declared nuclear states took part in the conference and were asked to take a number of steps forward. These included to sign and ratify the comprehensive nuclear test ban treaty without delay, to honour a moratorium on nuclear weapons testing pending entry into the force of the comprehensive

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treaty, immediately to commence negotiations on a fissile material cut-off treaty, immediately establish in the Conference on Disarmament a body with a mandate to deal with nuclear disarmament, to honour the principle of irreversibility in relation to nuclear disarmament, to

"accomplish the total elimination of their nuclear arsenals leading to nuclear disarmament in which all states are committed",—

and facilitate—

"the entry into force and full implementation of START II and the conclusion of START III as soon as possible",—

ensuring the completion and implementation of the trilateral initiative between the US, Russia and the International Atomic Energy Inspectorate.

The reason I quote that is because this year's conference takes place at a time when we are in danger of not going forward to a process of long-term nuclear disarmament, but quite the opposite; we are starting a process of nuclear armament around the world. At present, there are five declared nuclear weapon states, which, happily for them and utterly logically, are the five permanent members of the Security Council; Russia, France, Britain, China and the United States.

The undeclared nuclear weapons states—Israel, India, Pakistan and North Korea—are there, and of two others, Iran is in negotiations for the removal of possibility of constructing nuclear weapons. The only other state that has ever had nuclear weapons and unilaterally got rid of them is South Africa, and I think we should pay enormous credit to Nelson Mandela and the government of the ANC who did that to bring about a nuclear-free continent of Africa.

I hope this treaty review takes place and, optimistically, I hope that India, Pakistan, North Korea and Israel will all attend, own up to having nuclear weapons, say they are going to get rid of them, and fully sign up to a disarmament process. I also hope that the five declared states will do the same; it would be wonderful. My concern is that the opposite will happen. Israel will simply refuse to take part or to say anything other than that it has got its nuclear weapons. I have just returned from Palestine where I spent many hours in the company Mordechai Vanunu who spent 18 years in Israeli prisons for telling the world about Israel's nuclear weapons.

India and Pakistan are both countries with enormous social problems and needs. They cannot afford nuclear weapons and should not have them. The idea that a nuclear weapon could be some kind of defence for either Delhi or Islamabad is ludicrous. It would not take long for a rocket to get from Delhi to Islamabad. If either side bombed the other, the effect would be on their own countries. I recognise that things have moved on from the threats of a year ago and that negotiations are taking place, and I hope that that will lead to a common disarmament position.

However, those who heard President Musharraf of Pakistan when he spoke in Committee Room 14 were not very encouraged that that would be the case. In fact, we left with the opposite impression; he seemed rather proud of the fact that Pakistan had nuclear weapons, and he saw the development of the nuclear capability and its delivery systems as something of which to be proud.

I hope that the Government's contribution to the NPT review conference will be to set out in advance a statement on how to bring about worldwide nuclear disarmament; secondly, that we will not be developing a new range of nuclear weapons, nor will we be buying a new generation of nuclear weapons from someone else. As Trident reaches the end of its what some would call its useful life—others would be less complimentary—we should become a non-nuclear power.

Surely to God, nothing that has happened in the world, including the increasing gap between the richest and the poorest and the needs of the poorest, is aided by nuclear weapons. For all the nuclear weapons and all the power that the United States has, it was not much good to them on 11 September 2001. The only way to bring about peace and justice throughout the world is to examine the causes of injustice, and the poverty that goes with it. I look to the United Nations as the body to achieve that.

All hon. Members experienced the build-up to the war in Iraq. We saw how the UN was used and abused in the build-up to that war. As well as what I would call the misuse of the UN charter by those who were keen to go to war—I believe that the continuation of the inspection programme might have brought about a different result—we saw the development of the legal pre-emptive strike by President Bush and later by the Prime Minister, and subsequently by President Putin. That is a dangerous departure. We possess the power to go to war, and the ability to destroy an awful lot of the planet, but we would be better off if we concentrated on strengthening the only world organisation that can provide a forum for peace and the opportunity to bring about justice.

I have before me an interesting book, written by Linda Melvern and called "The Ultimate Crime: Who Betrayed the UN and Why". It is interesting, thought-provoking and, in some places, upsetting for those who believe passionately and strongly in the United Nations. We have to consider why the UN has often been so undermined and why it has been so weak when it should have been strong, and we must put our efforts into strengthening and supporting it. That would be a good way forward.

This year the UN has a great opportunity, but not as a remote body. All the Governments that make up the UN, including ours, should show, through the non-proliferation treaty review, that the UN can mean something, and that it can bring about disarmament around the world. We should put those precious resources to peaceful use, rather to the creation of weapons of mass destruction; we are all supposed to be dedicated to their removal.

Several hon. Members *rose—*

Mr. Roger Gale (in the Chair): Order. Four hon. Gentlemen seek to catch my eye. I propose to call the first of the three Front-Bench speakers at 3 o'clock. I mention that in case hon. Members wish to accommodate each other.

2.38 pm

Dr. Julian Lewis (New Forest, East) (Con): The contribution of the hon. Member for Islington, North (Jeremy Corbyn) may have seemed a trifle long for the

amount of time available, Mr. Gale, but I am sure that, compared with those speeches that he was telling us about that he had heard in various United Nations bodies, it was short. I shall endeavour to do even better.

In response to the hon. Gentleman's observation that the nuclear deterrent was not much good to the United States on 11 September, I would point out that the nuclear deterrent was certainly a lot of good to the US and the rest of the free world during the 50 years of the cold war. It is a question of horses for courses. During the cold war, the hon. Gentleman argued with complete consistency that we should unilaterally abandon nuclear weapons. I would not expect him to change that position now that the cold war has ended.

I do not share the hon. Gentleman's views, but this is not meant to be a debate about the efficacy or otherwise of nuclear deterrence. It is meant to be a debate about the need to reform the United Nations. In that respect, surprisingly enough, I share a lot of common ground with the hon. Gentleman.

The UN was certainly set up with the mistakes of its predecessor, the League of Nations, firmly in mind; it was set up with a limited and pragmatic mandate. During the years of the cold war confrontation, I remember people saying, "You know what's wrong with the UN? The big powers have a veto on the Security Council." That is not what was wrong with the UN, but what was right with it. It was designed to reflect the reality that big-power capabilities could keep the peace or destroy it, and recognised that it had to come to terms with the realities of the world if it was to make a contribution to peace and tranquillity. In short, the UN is a handmaid to, not a substitute for, action by the Governments of sovereign states; it is a reflection of, and a facilitator for, the states that make it up, enabling them to act where they have got the will to do so. We must not over-invest it with a sanctity that it does not possess.

As has been said, the UN is not a democracy; it is not made up, depending on one's definition of the term, of a majority of democracies. Therefore, it is not, and it should not be regarded as, a world Government or the fount of international wisdom and morality. One thing that concerned me in the run-up to the war in Iraq was the degree to which responsibilities were shuffled from Governments to the UN. Governments were trying to say, "We will do this, but only if we get a vote in the Security Council." The reality is that the UN is comprehensive; as the hon. Member for Ilford, South (Mike Gapes) rightly said, it includes everybody. As such, it cannot be expected to represent the best practices of nations around the world, although it does enable them to work together when they have a mind to do so, without having to set up ad hoc machinery.

It is hardly surprising, therefore, that many of the pungent criticisms voiced by my hon. Friend the Member for Buckingham (Mr. Bercow) carry such weight. It is true that we can have a totally inappropriate country chairing a human rights body at the UN. I do not share the view that that should be ruled out, because it gives us an opportunity to use that country's record to embarrass it in the eyes of the world. I do not know that it did Libyan legitimacy a lot of good to be stuck in the chair, where it was subject to greater scrutiny than it would have been had it been excluded.

I am gratified to see the hon. Member for Ilford, South nodding in assent, but there is another side to the coin. If we recognise that the UN is a universal structure, designed to incorporate the mad, the bad, the dishonest and the murderous, just as much as the peaceful, saintly and democratic ideal, we must also recognise the limitations on the legitimacy of its pronouncements. That is why the case that my hon. Friend the Member for Buckingham is making is worth pushing forward, despite all the organisation's in-built limitations. By its existence, the UN enables those who wish to work together to do so, but it also allows those who wish to get away with misbehaviour or atrocious and inhumane behaviour in the dark to be dragged into the spotlight and forced to justify that behaviour.

Let us not kid ourselves that the United Nations will ever be a substitute for the responsibility of Governments. There are two forms of club. There is the form of club that is made up of members who think and act alike and believe in the same codes of conduct. That is not what the United Nations is about. There is also the form of club that everyone belongs to, but which cannot then expect a spotless reputation. That is what the United Nations consists of. However, my hon. Friend the Member for Buckingham is absolutely right to bring the matter forward and to shine the piercing intellect for which he is renowned on the abuses by member states of the United Nations.

Although my hon. Friend has not over-exaggerated the role or the legitimacy of the body concerned and his admiration for it, he has been able to use the lip service that everyone at the United Nations tries to give to certain principles to show up the hypocrisy of nations that fall short of adherence to those principles. I know from the cold war years that there were many times when the stench of hypocrisy, particularly over arms control, rose to high heaven from the United Nations, its sub-committees and subordinate organisations. I also know that the work done there to link up baskets of human rights, for example, with disarmament initiatives for the east-west confrontation was extremely valuable. All of us would agree that, had the organisation not existed, when the time came for change in the totalitarian societies of the USSR and eastern Europe it would have been much harder to bring that about and formalise it.

Let us go forward with hope in the utility of the United Nations. Let us not exaggerate it for its ability to do the impossible and let us always remember that the United Nations is as good, but no better, than the members who make it up.

2.47 pm

Mr. Wayne David (Caerphilly) (Lab): For some, especially the so-called neo-conservatives in the United States, the United Nations is a moribund talking shop. It is said that it is wasteful, corrupt or unwilling or unable to take action. It is said that it is a friend of dictators, an unwelcome restraint on the United States. To be honest, some of the criticism that such people make is unfair or overstated. Other criticisms are not. It is significant that in the aftermath of the war in Iraq, the United States of America has recognised that it needs

[Mr. Wayne David]

the United Nations. After the tsunami of 26 December, there is widespread recognition throughout the world that the United Nations, in some form or other, is desperately needed.

If the United Nations is not the sort of organisation that it should be, the question inevitably is: how should we change for the better? That is the view of the high-level panel mentioned by the hon. Member for Buckingham (Mr. Bercow). The panel is extremely distinguished; the United Kingdom is represented on it by Sir David Hannay, former United Kingdom representative to the UN. Just before Christmas, it came forward with a report, which is modest, it is true. However, because of that it is realistic and realisable.

The report has 101 recommendations in its close to 100 pages. Briefly, I want to focus on one or two of them. First, it identifies new ground rules for members of the United Nations to resort to force. Significantly, the Security Council is urged to consider early authorisation of action against certain types of urgent but non-imminent threats. The threat of terrorism across the globe is one that springs to mind. Terrorism is identified as a new threat, and is accurately defined as "any politically motivated violence against innocent individuals". That, the panel would argue, has tremendous significance for the future of the UN if the report is adopted.

Moreover, the report talks about the principle of humanitarian action and urges that that principle be adopted. Again, that is of tremendous significance. Without going into the debates we had in this House in the run-up to the war in Iraq, many Members, myself included, said that there was a moral justification for the intervention in Iraq for humanitarian reasons. It is significant that the report echoes what my right hon. Friend the Prime Minister argued as long as five years ago in Chicago.

Fourthly, a reform of the Security Council is proposed, an issue that has tended to hit the headlines. Two options are put forward. Both involve increasing the size of the Security Council to 24. I understand that the favoured option talks about six new permanent members of the Council. The so-called aspiring four are Germany, Japan, Brazil and India, but also two African states—one from the north of the continent, one from the south. However, the implications of a possible extension of the veto are not considered. I would be interested to hear what the Minister has to say about that delicate but important issue.

When I was in the United States, in New York, just before Christmas, I happened to be there when the high-level panel report was leaked and then published. Generally speaking, it had a reasonable response. Certainly it was welcomed by our Government and most other Governments across the world. However, at that time, the United States of America had very little to say about it. We all must acknowledge that the response of the United States is crucial to how the UN develops and whether this report is welcomed and received positively. I very much hope that the United States will step back from ritually assaulting the United Nations, and Kofi Annan in particular, and recognise that the world, including the United States of America, needs the UN.

The report is of tremendous significance—the most important report that has been published since the United Nations was formed. I hope that Members will not say that the report does not go far enough and that we would ideally like to see this, that or the other happening. The report offers a road map to the future that is, as I said at the start, realistic and realisable. We would also do well to recognise the words of one former US representative to the United Nations, who said some years ago that this organisation, the UN, was created to prevent us from going to hell, not to take anyone to heaven. If we think about that, we will be realistic and take the United Nations forward to help create a better world.

2.53 pm

Mr. Malcolm Savidge (Aberdeen, North) (Lab): I congratulate the hon. Member for Buckingham (Mr. Bercow) on a constructive and—whether one agreed with all his points or not—thought-provoking presentation.

I start with a paraphrase of the same quote. I think that it was Henry Cabot Lodge who said that the United Nations was not a vehicle to transport us to paradise, but a means of saving us from hell. It is important to stress that when some of the criticisms made by the hon. Gentleman are valid. Some of the faults though are those of the member states. We need to reform and not to condemn.

Some of us were disturbed to see at the Republican convention, in response to a renegade Democrat senator and to Vice-President Cheney, people almost baying in hatred of the United Nations. I do not think that that is too strong a term. That there is an element of that hatred within the Bush Administration is worrying. That is why, as my hon. Friend the Member for Caerphilly (Mr. David) suggested, a reversal of that attitude was welcome, when it was recognised that the UN should take the lead over the tsunami.

The UN is the only hope for the major issues that the high-level panel was dealing with—war, internal conflict, poverty, nuclear and other weapons of mass destruction, terrorism and trans-national crime. Those are interrelated issues. Indeed, the underlying issue is development and the need to tackle poverty, which has such a root effect on all the other problems. The British Government are right to say that we want to use our presidency of the G8 and the European Union to press that issue.

Preventing wars and trying to deal with civil wars are controversial subjects. I must rush through my remarks, so let me just say that what happened in Sierra Leone was an admirable example of that being done at its best, with regional and UN support.

Terrorism and criminality is an important subject, and it has been regarded as even more important with the concern about weapons of mass destruction. We should never forget that the greatest fear of all is the combination of war and nuclear weapons. As my hon. Friend the Member for Islington, North (Jeremy Corbyn) said, the nuclear non-proliferation treaty will be vital. We wish the Minister well in the negotiations on that. The UK played a positive role last time, but we must prove that the states with nuclear weapons are prepared to fulfil their own parts of the agreed positions. Peacekeeping and a peace-building commission are also important matters.

On human rights, we need to work out a balance because realpolitik is involved in that. If we are to talk about countries respecting not only their own citizens but those of other countries, people could refer to Guantanamo Bay. We have difficulties with a number of large countries about their human rights records.

We need to strengthen the post of UN Secretary-General. We need also to rebalance the Security Council. It cannot simply reflect what happened at the end of the second world war forever; it is right to think about expanding it. There needs to be a new balance in it, because the General Assembly does not reflect population. That rebalance could involve some form of weighted voting. However, I want to stress that the UN is our only hope, and therefore we must improve and reform it.

2.57 pm

Mike Gapes (Ilford, South) (Lab/Co-op): The United Nations was never established as a world Government or a democracy, and if it did not exist we would have to establish something like it. Some of the criticisms made of it are justified, but it is important to recognise that when there are allegations of troops committing rape, theft or looting, those involved are not UN troops; they are national troops of member states of the UN that happen to be operating under a UN mandate.

The UN does not have a standing army. Perhaps we should return to the recommendations of the Boutros Boutros-Ghali document, "An Agenda for Peace" of 1992, and consider how we might have an effective international intervention force of a sort that can move quickly, so that we do not have to wait for weeks and months. The UN has problems with the deployment of forces to a number of areas around the world. It is not the only organisation that has difficulties in that regard; NATO has similar problems in getting adequate forces into Afghanistan, where it currently has responsibility.

There are issues about the structure and organisation of the UN that need to be addressed. The Security Council must contain India, but it needs also to include a large and preferably democratic Muslim state. In the world in which we live, it is vital that Islam and Islamic countries do not feel that others are ganging up against them. I hope that that matter will be taken seriously, and be addressed.

I turn to the big problem. During the cold war, the UN could not be effective in places such as Angola because that could have led to a third world war. However, since the end of the Soviet Union, the United States has become what the French call a hyperpower, and if we now want intervention on a global level, the US must be involved. I hope that Condoleezza Rice's remarks of yesterday show that the US will move towards a more multilateral approach than in the past. Four years ago, when Dr. Rice was in Russia just before her appointment as National Security Adviser, she is reported to have said that there are three positions in American politics: the left, which was internationalist; the right, which was isolationist; and the realistic position to be followed by the Bush Administration, which was unilateralist. Things have moved on since then; in many respects, the US Administration has not been unilateralist. I hope that there will be a fourth position to be put forward by Condoleezza Rice as Secretary of State, on realistic engagement and co-operation with allies through the UN system and with partners in Europe.

3 pm

Mr. Michael Moore (Tweeddale, Ettrick and Lauderdale) (LD): It is a great pleasure to follow the hon. Member for Ilford, South (Mike Gapes), with whom I am happy to serve on the board of governors of the Westminster Foundation for Democracy. His was the last in a range of thoughtful and challenging contributions.

I join other hon. Members in paying tribute to the hon. Member for Buckingham (Mr. Bercow), who secured the debate. He has been on something of a political odyssey in recent years. Who knows where it might take him next? It is our great good fortune that it has brought him at this time to focus on the United Nations as a key issue. In doing so he has done us a great service.

The debate is very timely. It is not long, as other hon. Members have said, since the report of the UN Secretary-General's high-level panel on threats, challenges and change. That comes in the same week in which the UN millennium project's report, "Investing in Development", has been published, under the direction of Professor Jeffrey Sachs. It is not long since our last debate on the UN. We focused then on the White Paper. I appeal to the Minister that today's debate should not be the House's last word in debating the UN. Perhaps now that these serious reports are available, we shall have time seriously to consider them on the Floor of the House.

I take issue slightly with the hon. Member for Buckingham. I know that he would have said more had he had more time, but I felt that on balance some of his criticisms of the high-level panel report would have left the impression that he was highly critical of it. For all its limitations, it is a serious piece of work, which has rightly focused our attention on the shortcomings of the institution and the need to reform it properly. In this year of the UK's presidency of both the G8 and the European Union, the Government have a special responsibility to ensure that the reports are recognised in the international agenda, and taken forward.

The preamble to the UN charter sets out the lofty ambition

"to save succeeding generations from the scourge of war".

It asserts the need

"to reaffirm faith in fundamental human rights,"

and, among many other things,

"to promote social progress and better standards of life".

Those bold ideas gave rise to the UN. Whatever difficulties it may now face, they remain as relevant today as they ever did.

The world is of course very different from 1945, and the panel has set that out carefully in its report. Threats are based not only on states attacking one another. They arise from diverse sources such as poverty, the spread and possible use of weapons of mass destruction by non-state actors as well as countries, trans-national organised crime and international terrorism. It is not only states that are the problem and it is not only state security that is now at issue. Along with the panel, we

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must recognise that in the modern world the threats do not recognise national boundaries. No state, however powerful, can protect itself on its own. Nor can we assume that every state will be able or willing to meet its responsibilities towards its own people, or not to harm its neighbours.

Achieving consensus may be relatively straightforward in the Chamber, but the panel is right to highlight the difficulty of reaching an international consensus. For some, HIV-AIDS is a horrible disease but not a security threat; for others, poverty is a development issue but hardly one to make us concerned about security. For me, it is pretty simple: poverty creates instability, which leads to conflict, which deepens poverty.

Such recognition is not always present, and one of our most serious tasks—it has been implicit and sometimes explicit in the comments of other hon. Members—is to ensure that the UN, although it needs to reflect the realities of modern power, is not simply a rich man's club or a rich man's Christian club. Without that new consensus and mutual recognition of threats, there is little prospect of any new security consensus, and therefore little prospect of reforming the UN to enable it to tackle the threats that we face. Only with consensus can we adapt the tools of collective security that we surely need now more than ever.

The panel rightly focused on prevention. The adage that prevention is better than cure is as true at an international level as it is in the home. The panel properly identifies that as a key requirement of our new collective security, so that threats that are distant do not become imminent, and those that are imminent do not become destructive. Action, as the panel says, is key. It needs to be taken early, decisively and collectively.

The panel is also right to focus on the importance of development, which is essential to any framework that is to be taken seriously. In a year in which we will focus on the achievement, or lack of achievement, of the millennium development goals, the panel's report may, like others, be an impetus for further efforts.

Too often, efforts to prevent conflict fail. When we should allow force is the big question that dogs current international relations and may be the most fundamental question of all. There are critical situations in which we are likely to see conflict. The high-level panel has said that it believes that article 51 and chapter VII are sufficient for the modern threats and challenges that we face. Perhaps we will have more time to debate that in future. I certainly agree that the Security Council should be the principal source of international authority. We must surely take cognisance of the panel's criteria, which the Member for Buckingham set out carefully, for judging whether or not force is allowable.

There are so many aspects to the UN that we need to tackle, and many hon. Members have focused properly on the need for institutional reform. As the hon. Member for New Forest, East (Dr. Lewis) made clear, however, none of the institutional reforms will be of any relevance if the member states have no political will to implement proper reform or to put leadership at the forefront of their activities in the UN.

Like the hon. Member for Buckingham, I consider myself an internationalist. I am aware of the difficulties facing the UN and its shortcomings, but 60 years after its foundation, surely we can get the political impetus to get it right and to get it ready for the 21st century.

3.7 pm

Mr. Graham Brady (Altrincham and Sale, West) (Con): I congratulate my hon. Friend the Member for Buckingham (Mr. Bercow) on what has been a very worthwhile debate, and on his birthday. He spoke with his customary clarity and eloquence, perhaps even more so on this special occasion. Perhaps we can look forward to this becoming an annual occasion on which to revisit these important events.

I have not been a political oddity, but I am happy to agree with much that the Liberal Democrat spokesman, the hon. Member for Tweeddale, Ettrick and Lauderdale (Mr. Moore), said. I especially agree about the importance of us having a full debate on the Floor of the House on this very important and very large issue. We have the high-level panel report to consider and we are moving towards taking decisions at the special summit in September, so it is right that the House of Commons should have a proper opportunity to consider it.

Time is short, and the Minister has a great deal of ground to cover, so I shall endeavour to be as helpful as I can in allowing him the time and the opportunity to do so. My hon. Friend the Member for Buckingham rightly stressed particular aspects of the reform of the UN, as well as the importance of the UN as an institution and the importance of getting it right and improving it to make it an effective international body. He also dwelt appropriately on some of the problems and difficulties that the UN has had. As he said, it seems sometimes to be mired in controversy; he referred to problems of fraud, corruption, and perhaps worst of all, inactivity in the face of massive humanitarian crises, such as Darfur, as well as the failure even to discuss the fate of Burma and the abuses involving peacekeeping troops in the Congo.

My hon. Friend also focused on the UN Commission on Human Rights and its cumbersome processes, and considered some of the other important aspects of the criteria under which humanitarian interventions can be appropriate. One strength of the high-level panel report is that it attempts to address the appropriate circumstances in which intervention should take place, especially on humanitarian grounds. The report considered what it calls an emerging norm, namely, that there is a collective international responsibility to offer protection, which is exercisable by the Security Council, and to authorise military intervention as a last resort. The report goes on to discuss genocide and so forth.

Given the shortage of time, this debate has inevitably only skated over some of the big issues raised in the high-level panel report on threats, challenges and change. The report shows an understanding of some of the ways in which the UN has failed to live up to some of the challenges of the past, but also attempts to apply the principles of the UN, which we share in all parts of the House, to a changing world. Much of the report is aspirational and much in it would be difficult for us to disagree with. The report sets a real challenge for the

UN and the countries that form it, particularly those on the Security Council, to try to establish effective principles so that we can co-operate as nation states.

The report sets out five criteria for the appropriate use of force. They have been examined in some detail so I will not repeat them. Importantly, the report attempts to clarify the appropriate roles of prevention and pre-emption. I hope that the Minister will deal with that, as much as he is able, in the short time that we have. The report recognises some of the weaknesses in the structure and the practice of the Security Council and suggests greater clarity about the circumstances in which prevention and pre-emption may take place.

There has been relatively little mention of the oil-for-food scandal. My hon. Friend the Member for Faversham and Mid-Kent (Hugh Robertson), who has been able to join us belatedly, has taken a close interest in the scandal and the vast sums that Saddam's regime skimmed off. That episode emphasises the importance of improvements in both the secretariat of the UN and in control and audit, and of proper financial control.

I return briefly to some of the questions that have been asked. I hope that the Minister will answer the three questions that my hon. Friend the Member for Buckingham asked, about the appropriate membership of the UN Commission on Human Rights, the possibility of a presumption against a Security Council veto on humanitarian intervention and the proposal that the Security Council might depute a major power to organise a coalition to take action where appropriate. The hon. Member for Caerphilly (Mr. David) asked a further important question regarding the Government's attitude to the expansion of the Security Council and the danger of paralysis.

I promised to be brief. The UN is one of the most important issues facing the Foreign Office, Ministers and, indeed, the country. Now is a critical time for us to deal properly with the recommendations and discussions that have emerged from the high-level panel. I look forward to the Minister's response.

3.14 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr. Bill Rammell): We have had an exceedingly good and well-informed debate. I start by congratulating the hon. Member for Buckingham (Mr. Bercow) on his birthday. He is at an age when birthdays are still a celebration and I wish him many happy returns. He demonstrated conviction and a commitment to multilateralism and to the UN. In that respect, I share his agenda.

Reform of the United Nations is fundamental for anyone who believes genuinely in the organisation. When the Secretary-General launched the reform debate, particularly the setting of the high-level panel in 2003, he summed up the necessity for reform more succinctly than anyone else has done. He said:

"It is not enough to denounce unilateralism unless we also face up squarely to the concerns that make some states feel uniquely vulnerable. We must show that those concerns can and will be addressed effectively through collective action."

That is the fundamental key to the whole reform debate.

The British Government, from the Prime Minister down, have very much welcomed the high-level panel report. Of course, it contains various elements that people might want more or less of, but it sets out a challenging and constructive agenda for change. The principal reason why it is an essential force for good is that it faces squarely the three key challenges that we face as an international community: proliferation of weapons of mass destruction, terrorism and global poverty. To paraphrase what Kofi Annan said, unless we can demonstrate that collectively we have the capacity to face those challenges, then, to put it bluntly, the UN and all of us will not endure such circumstances.

As well as the high-level panel report, it is important to remember that 2005 will see another significant milestone in UN reform: the millennium review summit. It will not only discuss the high-level panel report, but measure what progress we have made against the millennium development goals. It is no secret to suggest that, when the review takes place, we will be facing a situation in which we are acknowledging that sufficient progress has not been made, if we are to meet the targets that have been set for 2015 with the millennium development goals. It is a fundamentally important year.

The panel report and the summit are part of the same process. The high-level panel is based on the important core premise that security and development are interlinked and go hand in hand. Neither is possible without the other. That is the high-level panel's view and I strongly endorse it. I had the opportunity at the UN conference to meet the Secretary-General last week and we discussed UN reform in some detail. Between the Secretary-General and the Government is a shared agenda about the importance of the year ahead.

Kofi Annan will be publishing his own report on the implementation of the high-level panel report in March. We are intending to work with him and seize the opportunity that exists for the international community. The United Kingdom is uniquely placed, especially this year, to be able to do that, given our dual presidencies of the European Union and the G8.

I turn now to the oil-for-food crisis and scandal to which several hon. Members have referred. In recent months, there has been a great deal of criticism of the UN over the programme and, most recently, about the allegations of widespread sexual exploitation in the Democratic Republic of the Congo by members of the United Nations Mission in the Democratic Republic of the Congo—the MONUC peacekeeping mission. The Secretary-General has acted through the appointment of an independent inquiry into oil for food, a series of investigations into the MONUC allegations and the appointment of Prince Zeid of Jordan as a special adviser on sexual exploitation, with the task of making recommendations throughout the peacekeeping system to tackle such appalling behaviour. We certainly support him.

We want to see UN action on such issues and we should not shy away from the lessons that should be learned. Nevertheless, the Government continue to support fully the Secretary-General, which is an important point to make. His leadership has been important and we must continue to register that fact. We will fully support him, along with those with whom we work closely and who share our vision for the future of the UN. Undoubtedly, while problems deserve our attention, 2005 has also seen the best of the UN.

[Mr. Bill Rammell]

Following the tragedy in the Indian ocean with the tsunami, the UN is playing a leading role in co-ordinating the huge and essential relief effort. A challenge for the UN will be sustaining that work beyond the initial relief to help a long-term recovery, and we are certainly willing to work with the UN on that.

I am pleased that the high-level panel has dealt with the United Kingdom Government's major priorities. It sets out an ambitious agenda for a UN that is much more proactive; deals comprehensively with threats to peace and security by recognising the importance of conflict prevention and peace building after a conflict; responds to the threats of terrorism and proliferation of weapons of mass destruction; explores the circumstances in which the UN should authorise military action to prevent a threat from materialising or to deal with a humanitarian catastrophe; acknowledges the need to address the link between poverty and conflict; and recognises that environmental degradation, particularly climate change, is a threat to be tackled like any other. That is an enormously substantive agenda, and one that we positively welcome. The other recommendation that is particularly welcome is that for a peacebuilding commission. I shall come on to that.

I shall address some of the points that have been made during the debate. I started with the hon. Member for Buckingham, who made a powerful and coherent speech. However, he voiced some significant criticisms of the UN as well. I believe that he said that there are too many occasions on which the UN does not act to protect the oppressed. One can undoubtedly adduce evidence in support of that statement, but I would not take it as a criticism of the UN as an institution—the UN is no more than the sum of its parts. A criticism of the UN is a criticism of the whole international community, and what happened with regard to Rwanda is probably the best example that we can think of. It was a lamentable failure on the part of the UN that not enough was done in Rwanda in 1994, but more importantly it was a failure on the part of the international community. We must criticise ourselves, not just the institution. People do that too often, without recognising our responsibilities.

The hon. Member for Buckingham also spoke of the horrifying events in Darfur, and argued for sanctions. In such a complex situation, any sanctions must be designed to have the desired, coercive effect, with the minimum risk of negative side-effects. For example, we must not undermine the recently signed peace deal in southern Sudan. However, one of the difficulties, and it will always persist, is to get Security Council agreement on the right framework for sanctions. It is no secret that some major powers, members of the permanent five, have significant reservations about the use of sanctions. I am not referring to the United States of America. That needs to be taken into account. Our stance is that if the commission of inquiry that has been established concludes that genocide has occurred in Darfur, and urges reference to the International Criminal Court, we will strongly support that and would urge other states to do likewise.

Mr. Bercow: The Minister is addressing the issues comprehensively and I much appreciate his kind remarks. He is right; I would have favoured sanctions. However, I put it to him that the debate has moved on. A great many people have been slaughtered, and it is probably too late to talk about sanctions. Unless a sizeable international peacekeeping force is sent soon, it will be too late.

Mr. Rammell: The hon. Gentleman underestimates the importance of the African Union taking a lead in that regard. The recent signing of the peace deal for the whole of Sudan offers the best hope for everyone within Sudan, particularly those in Darfur. I do not rule out that at some stage an international force might be necessary, but that is not what we are advocating at the moment, and it is not the best way forward in the present circumstances.

The hon. Gentleman also talked about the United Nations Commission on Human Rights. That is, without doubt, a troubling and problematic body, which is the sum of its parts. He referred to the regional blocs, which form the current mechanism for election. If we respect the integrity of the process, and allow regional blocs to put forward their candidates, countries will sometimes emerge that—to say the least—have questionable records. We could address the issue—I think that the hon. Gentleman touched on this—by agreeing a set of criteria to which a state that wanted to join the commission would have to adhere. The problem with that is that all the members of the commission would have to agree to it and, to use the parlance, turkeys tend not to vote for Christmas.

The hon. Gentleman also referred to the case for humanitarian intervention, which we strongly support. My right hon. Friend the Prime Minister first articulated that notion in Chicago in 1999; he put forward the powerful case, as we have done consistently, that the world has moved on since the 1940s, when state sovereignty was supreme, and that the notion that a state can do whatever it likes to its people as long as it happens within the confines of its boundaries—and that the international community has no right or responsibility to intervene—is no longer acceptable. The high-level panel has put forward some useful criteria that we need to debate.

The hon. Gentleman also asked whether the use of the veto should be reformed, restricted or abolished, particularly in cases of genocide. The failures of the League of Nations demonstrate the dangers of an organisation that does not give due weight to the major powers; the hon. Member for New Forest, East (Dr. Lewis) referred to that. We continue to believe that the existence of the veto is a factor in ensuring that major powers work through the UN in dealing with threats to international peace and security. However, although we would not support formal restrictions on the use of the veto, we believe that it should be used with restraint and in accordance with the principle of the charter. We are practising what we preach: we have not used our veto since 1989.

The hon. Gentleman also talked about the importance of the peacebuilding commission and of using that mechanism to ensure that when states have failed, been recaptured and recovered, they do not fall back into chaos and conflict. That is one of the key challenges.

My hon. Friend the Member for Islington, North (Jeremy Corbyn) made a powerful contribution, as he usually does on issues such as these. He said that non-governmental organisations should have more time and space at the UN Commission on Human Rights. My hon. Friend knows that we have supported that argument; the UK Government have always been at the forefront of making that case. He also said that the UK delegation should be widened to include greater representation from human rights and non-governmental organisations. I will consider that case; if my hon. Friend wishes to put further detailed arguments to me, I shall consider them as we construct our delegation, which will go to Geneva this March.

The hon. Member for New Forest, East made a succinct and profound point in saying that the veto was needed, or very powerful states would walk away from the UN. We need to learn the lessons from the disintegration of the League of Nations; that is sometimes forgotten in this debate. The hon. Gentleman got it absolutely right when he said—I paraphrase—that we should move away from some of the dewy-eyed views of the UN and recognise that, at its core, it is an organisation that enables states to act when they have a will to do so. It is no more and no less than that.

My hon. Friend the Member for Caerphilly (Mr. David) made some important points. He said that the United States has recognised that it needs the UN, but that similarly—this is a key part of this debate—all of us need to recognise that the UN needs the United States if it is to be a credible organisation. That should be a key thrust of our arguments. My hon. Friend referred also to the case for the reform of the Security Council. We are on record as positively supporting the expansion of the permanent and non-permanent membership. However, although the case for enlargement is important, it is not the only key issue that the United Nations is considering at the moment. There is a real danger that the whole of this debate will get subsumed into the jockeying positions of various countries that want to get on to the Security Council, and that those other important points will be missed and lost.

The hon. Member for Tweeddale, Ettrick and Lauderdale (Mr. Moore) said that the hon. Member for Buckingham was on a political voyage. Many criticisms can be made of the hon. Member for Buckingham; being a Liberal Democrat is not one of them.

This has been an important debate. The responsibility to protect criteria for humanitarian intervention is a debate whose time has come. We need further progress on the millennium development goals and we need a peacebuilding commission. Finally, this is such an important issue and debate that we will hold a seminar at the Foreign Office in the coming weeks on this very issue. The Secretary-General has agreed to come; that is an important indication of his leadership and the importance we attach to this debate.

Army (Command Structure)

3.30 pm

Ann Winterton (Congleton) (Con): I am pleased to have gained a further opportunity for a short debate on Army matters. On this occasion, it is on the future operational command structure. Since the announcement last July, the Army has been a focus of debate from both a military and a political point of view. I suspect that that state of affairs will continue for some time to come, bearing in mind the many contentious issues that must be addressed.

During that time, Ministers have poked fun unfairly and without justification at hon. Members who have expressed opposition to the culling of infantry regiments, alleging that they wanted to return to the days of biplanes. That happened in the main Chamber. Yet the Cheshires are to be relegated from being a regiment to becoming merely the first battalion of a new regiment named after Mercia, an Anglo-Saxon kingdom that was in existence more than 1,000 years ago. If that is not looking backwards, I do not know what is. I am pleased that *Soldier* magazine described the Cheshires as one of the magnificent seven—those regiments which to date have never been amalgamated. Only time will tell whether the promises of Ministers and the Army hierarchy to keep regimental identities will materialise.

I was intrigued to read the other day that the Scottish regiments are to keep their cap badges while the English regiments are to lose theirs. The reason given was that the colonels of the English regiments did not request that cap badges be retained. Quite frankly, I find that difficult to believe and I would be grateful for confirmation of that. In addition, will the Minister confirm that no further discrimination is taking place?

I confess to having a foot on both sides of the border, as members of my late mother's family served in the Black Watch. Second Lieutenant Tom Gillespie, who was my mother's uncle, was killed by Turks in the first world war and my own uncle Bill ran away from home to serve in the Black Watch in India for six years. I believe that there should be parity of treatment between English and Scottish regiments, as both are part of the British Army.

I have found the confusion about how many trained Army personnel we have extraordinary; a figure of 103,780 is given. How many are to be made redundant? Is the future establishment figure of 102,000 the rough, or the exact, target? As the whole purpose of the shake-up is to move personnel around, why is the future establishment of the various corps not known? It is nonsense to say that all 36 future battalions will be operational, because training free of call-up always has to continue.

It was said a year last November that there would be no infantry battalion cuts. However, the chief of staff stated on 16 December that two years had been spent looking extremely hard at what capabilities and structures will be needed in the future. The result is that three battalions are to go and that one battalion of the Parachute Regiment is sensibly to be moved sideways. It is somewhat confusing. A tangled web has been woven, no doubt as a result of continually changing financial constraints, which have also continually been denied. That has done nothing for the morale of our soldiers,

[Ann Winterton]

especially those away on operations in hot spots such as Iraq. They have no idea what they will be coming home to.

We have heard much about the future Army structure. The chief of staff has made it clear that it could take up to 12 years to achieve, with much emphasis being placed on the medium sector. One of the main areas of concern is the future operational command structure, which I believe may turn into something very different from what it is at present. It could come under tremendous strain. That is apparently unforeseen by the generals and defence staff.

The worst-case scenario is one in which the United Kingdom loses operational control of its armed services and UK defence industries are also adversely affected. The present restructuring of the infantry could pale into relevant insignificance compared with what may come in the future. A week ago, the Foreign Secretary stated that he expected the European Union's arms embargo on China to be lifted, claiming that that would have little practical effect. Nothing could be further from the truth, however, because that will leave the Government siding with the EU against the interests of the United States. While the Foreign Secretary is totally unconcerned and thinks that everything can be smoothed out with the US, the indications are that the US Congress will find the situation unacceptable. If the ban is lifted, the already strained special relationship with the US will go up in flames, putting a stop to technology transfer and the flow to us of information from the US. Any possibility of the UK obtaining a waiver from the international traffic in arms regulations has now disappeared, pushing us further from American arms and towards EU arms.

That brings me neatly to the Galileo satellite navigation system, in which, it must be noted, China has a 20 per cent. stake. On 18 December last year, French Defence Minister Michèle Alliot-Marie, speaking at the launch of the French Helios 2A military reconnaissance satellite, confirmed that the EU's Galileo system would be available for French military use. That was just one week after EU Transport Ministers, at the Transport, Telecommunications and Energy Council in Brussels on 9 10 December, had reiterated in their written conclusions that Galileo was a civil programme under civil control, as the Ministry has claimed here in the UK.

On 22 December, Andrew Brookes, an aerospace analyst at the London-based International Institute for Strategic Studies, stated:

"One of the justifications for Galileo is that it will allow any new Euro defence force to have access to the same space assistance as is provided to U.S. forces by their Global Positioning System."

He went on to say that it could be used for pinpointing the location of weapons and troops on the ground. The USA has already said that if Galileo were used against American interests and it could not jam the system, it would take it out. Even the recently issued EU Commission publication, "Looking beyond tomorrow: Scientific research in the European Union" says that Galileo will play a role in security operations such as humanitarian aid, the evacuation of refugees, peacekeeping and crisis resolution, which implies military use without actually admitting it.

That brings us to the future rapid effects system—FRES—which is key to the medium sector of the infantry, on which so much emphasis is placed. Following the interview with the Chief of the Defence Staff in the winter edition of *Defence International* magazine, one wonders whether the top brass understands what FRES actually is. General Sir Michael Walker gave the impression that it was about vehicles. Vehicles are an important aspect, but FRES is a system that is put in them. It is supposed to be a totally integrated battle information system, equivalent to the American future combat system. It allows realtime intelligence from multiple inputs to be processed, electronically integrated and then disseminated to all individual units in a fighting formation at vehicle and sub-unit level, all with amazing speed. Furthermore, input is permitted from the sub-unit level, and it can be integrated into the overall battle plot and shared immediately with all other units. We could end up with a bodged, halfway position in which we get a medium-weight transportable armoured vehicle with some highly sophisticated battlefield surveillance platforms, but multi-feed processing and system integration and the widespread distribution of information may be absent.

There are two issues. The first is money. As we know, the Chancellor has thrown prudence out with the bath-water and the UK is heading for a financial black hole. Other than the first stage of FRES, the assessment phase, costing £113 million over two years, the overall cost of the project will be £6 billion. Neither those costs, nor the onward anticipated running costs, have been budgeted for. That might seem like a lot of money, and it is, but in defence terms it is not nearly enough; it is only one eighth of what the Americans are spending on an identical system. When the money dries up and the Army is well and truly on its way to reorganising around the medium sector, the salvation proposed will be to take on a partnership arrangement—but you can bet your bottom dollar that the Americans will not become our partners, as I will explain in due course.

Secondly, the FRES technology will depend on accurate navigation—the Galileo system—because future partners in this project will demand it and compatibility with the US system will be virtually impossible and too expensive. FRES, or what we understand FRES to be, will be ideal for conventional warfare, but today that is low on the list of probabilities. FRES will not stop terrorist activities or add to the social side of peacekeeping and reconstruction. Each unit will be expensive and, as I have said before in my previous debate, can easily be taken out by someone dressed as a civilian at little expense to them, so it is a very vulnerable system.

If FRES gets up and running, it will change the concept of how the Army operates. At the moment the commander has the facts and makes decisions based on the information available, giving orders to the troops who do not have access to the information on which those orders are based. Under FRES, unless the information is coded to keep it from the troops—which would defeat its objective of speed—they will know as much as, if not more than the commander, and that will put the whole command structure under horrendous strain.

If FRES is a botched job, which is the most likely option, commanders will still have to analyse and interpret data from diverse sources. On a modern battlefield, with so much input, the problems are data management and information overload. The more

information is put into the system, the more difficult it gets to rank its importance and analyse it. The volume increase simply adds to stress and confounds good decision making.

Procurement is another vital issue for both the armed services and the UK's defence industry. In keeping with the general ethos of the Monnet method, the European Commission has elected to secure greater defence—and thence political integration—through economic means, pursuing the route of integrating EU member state defence industries. Extending the remit of the procurement rules to defence is one of the ways chosen to achieve that.

The Green Paper published last September is alarming. It talks about the Commission's intention to contribute to the gradual creation of a European defence equipment market,

"supporting the development of the Union's military capabilities under the European security and defence policy"

and proposes establishing

"an appropriate regulatory framework for the procurement of defence equipment."

At the centre of the Commission's initiative is the newly formed European Defence Agency, which will work with the Commission to promote common, EU-wide procurement and standardisation through the armed forces of member states.

If the Commission gets its way, the standardisation programme will become compulsory, managed through CEN—the European Committee for Standardisation—rather than NATO. Given that the United Kingdom is already co-operating with Galileo, and will possibly do so in future with FRES, the point will come when we are so absorbed into the EU system and equipment programmes that we will no longer have the technical capacity to act independently and we will be so far removed from the US systems that we will be incapable of operating alongside US forces.

All this appears to be happening in slow motion, without anyone really understanding what is going on or any conscious political decision to cast our lot one way or the other. We think that we can steer a middle course, which will most likely end in disaster as we are locked into further European co-operation whether we want it or not. Let us not forget that the headline goal, and one of the several milestones identified within the 2010 horizon, is the improvement of performance of all levels of EU operations through appropriate compatibility and network linkage of all communications equipment and assets, terrestrial and space-based, by 2010. That, not surprisingly, happens to be the same date stipulated for FRES.

Finally, we come to the UK's involvement with the EU deployment. An EU battle group would have a force commander and an operation commander who would be directly responsible to the Political and Security Committee, acting by unanimity. The force commander would be determined on a case by case basis. For a battle group operating under the Berlin plus arrangements, the operation commander would be the Deputy Supreme Allied Commander Europe. Outside the Berlin plus arrangements, the operation commander would be determined on a case by case basis, possibly drawn from the nation providing the major troop contribution. As in all EU involvement, there would be a transitional stage. Some future crisis will no doubt prove the present system cumbersome, far from the situation that our chief of staff correctly envisages—that is, meeting an operational need for a more agile, deployable and flexible force. This would result in calls for streamlining, and no doubt a future EU treaty would turn the Defence Council into a defence commissioner, and unanimity would change to qualified majority voting, as we have so often seen before.

While the future Army structure is laying the foundations for the next decade and beyond, it will be future financial difficulties, coupled with inept political decisions about where our loyalties and responsibilities lie between the USA and the EU, while we slip and slide deeper into integration towards an EU army and defence force, that will result in the disappearance of parliamentary accountability.

I do not want to see the traditional role of our armed services subverted away from the defence and security of the United Kingdom. I do not want to see British troops under the command of anyone other than a commander answerable to the Secretary of State for Defence, who is himself answerable to the British people through Parliament, which remains sovereign.

3.48 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): I congratulate the hon. Member for Congleton (Ann Winterton) on obtaining time for this debate. I am grateful to her for giving me the opportunity to explain an important element of the armed forces structure, and at the same time hopefully deal with what I believe to be a number of misconceptions surrounding this issue.

The hon. Lady addressed a wide range of issues in her speech. I shall try to deal with the many elements that she raised. However, I open my contribution on the subject of this debate, which is the operational command structure of the Army. The best way to illustrate that is to look at the main operational deployments in which British forces are currently engaged, and to set out the different command structures that apply and why. The main deployments are, of course, Iraq, Afghanistan, the Balkans and Northern Ireland.

I will deal with Iraq first, where we have just over 8,000 troops. They form part of the coalition force, which is operating under UNSCR 1546. The vast majority of our troops are in the south of Iraq and come under the direct command of the General Officer Commanding Multinational Division (South East), who in turn comes under the US General Commanding Multinational Forces (Iraq) who is headquartered in Baghdad. However, at all times British forces remain under the operational command of the Chief of Joint Operations at the Permanent Joint Headquarters in Northwood. Indeed, the CJO, or another British officer retaining operational command of British Forces, is a feature of all the command structures that I want to mention today. All British forces are also operating under rules of engagement agreed by British Ministers and within a British legal framework—regardless of the coalition or international security organisation they are operating within. There was much discussion in the House recently, and of course in the media and among the wider public, about the command arrangements for

[Mr. Adam Ingram]

the Black Watch battle group that deployed last year to North Babil. The arrangements that I have just set out were essentially the same. Although the commanding officer of the 1st Battalion the Black Watch reported to a US officer, he ultimately remained under the operational command of the Chief of Joint Operations and the UK rules of engagement.

In Afghanistan, the UK forces are deployed under two complementary command structures. Those form a part of the international security assistance force around Kabul, and those in the provincial reconstruction team are part of a NATO operation under the command of a French general. Those forming part of the US-led coalition focusing on counter-insurgency operations are under the command of the US commanding general. However, as in Iraq, all British personnel remain under the operational command of the CJO and, again, operate within a British legal framework. In the Balkans we find two different structures, but the same overriding principles apply. British personnel in Kosovo form part of KFOR, which is a NATO operation, again under the command of a French general. Those in Bosnia now form part of an EU operation, EUFOR, under the command of a British general.

I hope that the hon. Lady will accept that British forces in operations overseas remain under British command, and in all these cases, under the overall command of the CJO. We do not envisage any change to the way in which we work with our international allies and partners in coalition operations. Indeed, improving interoperability is at the heart of what we have in mind.

The hon. Lady raised the subject of the development of EU battle groups. She accurately set out some of the issues associated with that. The precise command arrangements for any EU battle group mission would be determined, as she said, on a case-by-case basis, and would be subject to unanimous agreement by the 25 member states. However, as with EUFOR and other current operations, it is likely that operational command of deployed forces would be retained by the CJO.

I have said that there are no plans to change the way that we operate. We are still in the process of putting the concept together. What I find intriguing about the hon. Lady's position is that it is as if she is denying the need for international effort. If she is not denying that, she is unable to articulate how partners work together. They cannot operate in separate stovepipes. They must come under one single command in theatre. There then has to be a national reference point for all of that, and, as I pointed out, we work clearly through our chain of command to British Ministers—ultimately to the Prime Minister—and also within the British legal framework. There are no plans to change that, and I feel that setting this hare running is based on nothing but prejudice.

Let me just also comment on the command structure for forces operating in Northern Ireland, because there is a slight variation there. The 11,000 personnel in the Province are under the command of the General Officer Commanding Northern Ireland, and he reports to the Commander-in-Chief Land Command. However, on a day-to-day basis, the GOC works to support the Chief Constable of the Police Service of Northern Ireland, who retains primacy on security issues.

I have covered a number of disparate operations, but it is important to understand that in all circumstances British forces deploy in a coherent command structure, and with the right guidance and ROE. With current operations, the retention of operational command safeguards that. Future operations may see it achieved through different command and control arrangements, but the outcome will be the same. I have in mind here the possibility of a large-scale NATO operation. Nothing of that nature is envisaged, but if such an eventuality had to take place, we would have to work with our NATO partners—I assume that the hon. Lady is a strong supporter of NATO—to work out the best structures to achieve our objectives, so the issues are real.

We choose to operate with trusted allies and partners precisely because this type of co-operation provides operational benefits over and above those available were we to operate alone, for which last option I think the hon. Lady was arguing. For example, through operational burden sharing, UK forces are able to call upon the deployed assets of other nations, thus making support available when it otherwise might not be. Ultimately, operating with allies and partners can enhance the safety and effectiveness of our troops.

Let me deal with the future Army structure, which the hon. Lady touched on in her opening comments. The future Army structure is underpinned by two complementary changes. The first is a move towards a more balanced force, organised around two armoured brigades, three mechanised brigades, a light and an air assault brigade, and a Royal Marines commando brigade.

It is important to emphasise that we cannot use front-line forces that we are unable to deploy, and we cannot sustain operations if we lack sufficient supporting forces. That is why we are moving ahead with the second element of the reorganisation, which is making the Army more robust, resilient and able to sustain the enduring expeditionary operations that have become standard in recent years. The requirement is for us to make significant enhancements to key specialist capabilities—including those involving communications, engineers, logisticians and intelligence experts—that underpin what we need for an expeditionary Army in a new, strategic context. We also want to make fighting units, including the infantry, more robust by ensuring that they have adequate numbers.

The hon. Lady asked about the size of the British Army today. Of course, it is significantly bigger now than it was in 1997. The current figure will remain broadly the same, depending on normalisation in Northern Ireland. When normalisation in Northern Ireland comes along, it will create a new set of conditions that have to be dealt with. Six battalions are tied up in dealing with the issues in the Province. I hope that that will not be required in future. If those six battalions are no longer required there, that will create a set of new conditions that will allow us to do different things.

Of course, we are talking about more than just infantry and boots on the ground. We also have to create a deeper and broader strength in the British Army. That is why enhancements on which we have already decided include the creation of a new commando engineer regiment, a new port and maritime unit, an additional strategic communications unit and a new logistics support regiment for each deployable

brigade. We are also creating a number of new sub-units for surveillance and target acquisition, bomb disposal and vehicle maintenance capabilities.

Those are new capabilities, not cuts. The hon. Lady said that some people in this Chamber were treating the issue with some humour. These are very serious issues, but the issues that I point out—the way in which we are adding new capabilities—and the extent of the debate have been missed by many commentators. Of course, what I say also applies to equipment.

Sadly, I will not even be able to touch on Galileo or China, as I have only two minutes left, but I shall try to. In future, we can deliver effective armed forces through network-enabled capability, something that other nations, primarily the United States, are looking at. That is why we have to move down the road of major procurement strains and of introducing Bowman and Falcon, enhanced intelligence collection assets such as Watchkeeper—the unmanned aerial vehicle—Soothsayer electronic warfare capability, and modern vehicles such as the Panther armoured reconnaissance vehicle. The hon. Lady touched on the undoubtedly ambitious FRES armoured fighting vehicle programme, which will modernise the armoured vehicle fleet and be the basis of medium-weight capability.

Ann Winterton: Will the right hon. Gentleman give way?

Mr. Ingram: I have one minute left. On Galileo, let me just say that it will be a civil system, under civil control. That has been confirmed by successive EU Transport Councils. The UK has emphasised that that should remain the case. In December, as the hon. Lady correctly pointed out, the Transport Council stated that any decision to alter the civil status of Galileo would have to be agreed unanimously by member states under pillar 2 of the EU treaty. That is the constitutional structure under which Galileo exists. It is quite clear that what we have laid down with our NATO partners will protect the integrity of that system. The global positioning system, not Galileo, is currently the basis of NATO operations, and will remain so into the future. Galileo will be a civil system. That has been expressed time and again in the Chamber and elsewhere.

4 pm

Sitting suspended for a Division in the House.

Sugar Beet

4.12 pm

Dr. Richard Taylor (Wyre Forest) (Ind): It is a great privilege to gain this Adjournment debate to raise the concerns of a large industry and, particularly, of some of my constituents. I am pleased to see the Minister responding, and I know he will engage with a lot of my points. Is he pleased to be here, out of the rough and tumble of the main debate, which has come quite by coincidence?

I have lived in Kidderminster for over 30 years, downwind of a sugar beet factory. Every October we noticed the aroma, which went on without fail until January. To begin with, I thought it was appalling and could not stand it. Towards the end, I began to think it was like roast beef and did not mind it. The factory closed relatively recently, and I talked to some farmers to find out the impact that had had on them. To my surprise, they were not at all fed up that the factory had moved. There were very few job losses, and instead of the labour of loading up their own 14 tonne trailers and taking masses of loads, they were able to use hauliers with 30 tonne lorries, which was much easier. However, as the Minister will know, their worry was the proposals from the European Commission for sugar sector reform.

All parties I have talked to accept that some reforms are necessary. It is the scope, speed and severity of the proposals that alarms people. I will talk first about the local significance, secondly about concerns with the proposals and thirdly about the consequences if the proposals go through as they stand. I shall finish by asking the Minister specific questions.

On the question of local significance, I realise that the west midlands is a relatively small part of the beet-growing picture across the country. I also realise that, in the global picture of agriculture, beet accounts for only about 2 per cent. of the output and about 4 per cent. of the cropped area. Beet growing is therefore not a huge industry or a huge part of the agricultural economy, but in my area alone, the relatively small growers have been the ones who have coped with the sugar beet. Some 20 farms are dependent on sugar beet and average production of only about 1,000 tonnes a year. One of the largest farms grows about 4,900 tonnes a year, and the farmer hopes to yield about 60 tonnes per hectare. He contracts out his machinery to the smaller firms, making the point that the smaller farms are on a very tight rotation and that a third of their land may be used for growing sugar beet.

On the concerns to which I referred, all the people to whom one speaks, whether it is the National Farmers Union, British Sugar, the British Beet Research Organisation or my local farmers, agree that some changes are necessary, but that the proposed changes are not necessary and should not be implemented so rapidly, because one must be fair to the efficient producers in this country and to the growers in other places such as Africa, the Caribbean and the Pacific. Concerns about biodiversity have also been expressed, particularly by English Nature and by the Royal Society for the Protection of Birds.

I shall talk briefly about the concerns of farmers, which are very well known. The first concern relates, of course, to the price cut, which is 25 per cent. for the first

[Dr. Richard Taylor]

two years and 37 per cent. thereafter. The farmer of the largest farm in my area tells me that his growing costs are about £18 per tonne, which is extraordinarily good as the average is between £20 and £25. A 37 per cent. cut would wipe out all profit and immediately make it uneconomic to grow beet, so the price cut is desperate.

On cuts in quota, all point out that the UK grows only about 50 per cent. of our needs. The rest comes from the Caribbean countries and elsewhere. We have a balanced market and are helping the other countries. In contrast, some of the countries in mainland Europe are overproducers, and it seems only fair that the quotas of overproducers should be cut more and sooner than those of our producers.

On compensation, I believe that it is proposed that compensation of 60 per cent. be paid to all farmers, including the non-beet growers, which strikes me as incomprehensible. Compensation of 100 per cent. must be paid, but only to beet growers who are forced out of the market. There is also the problem of the time scale. I understand that radical reforms are not required until July 2006, but the aim is to introduce them by July this year.

I shall move on to the consequences. Many farmers, particularly small ones, will face difficulties. British Sugar will face the difficulty of too many factories, so some factories—including, presumably, the one in the Shropshire in the west midlands—will have to close. That will make it even more difficult for growers to go on growing beet in my part of the country, even if they want to, so choice is removed.

The loss of employment may not be as great as it might be because the factories are relatively low employers as a result of automation, as we discovered when our factory moved from Kidderminster. I believe that in 2002 about 7,200 individuals had contracts with British Sugar to grow beet. Obviously, hauliers and the extra workers needed in the factories during the campaign will be affected.

I turn now to something that I know a little more about. For information on the farming industry, I rely on friends at home and on many of the briefings that I receive. I turn to the natural side of things and to the loss of habitat, particularly the loss of food for the birds. Sugar beet is the ideal break crop. It provides broad-leaf, fairly open cover, particularly in the breeding season. It seems amazing that farmers should say that they welcome good weed growth, but those broad-leaf weeds provide food, seed and cover and the cover goes on late into the year, as does the food supply.

In Worcestershire, unfortunately, we do not see much of the stone curlew—it was last seen in that county in 1996—and we do not get many pink-footed geese, but we still get a few. Those, of course, are the prime species dependent on sugar beet in East Anglia. To me, Worcestershire is the skylark and the lapwing. As a lad, I remember walking in the country, and wherever I walked it seemed that the skylarks took off and soared singing into the sky. Skylarks are now listed by BirdLife International as a species of conservation concern in Europe. Their population has suffered a massive decline, down in Britain by 54 per cent., with a loss of 1.5 million breeding pairs. They are insectivores in the breeding season and vegetarian in winter and they are territorial. I did not know that a pair apparently needs between 2 and 8 hectares. They dislike the winter-sown cereals, but beet is ideal.

Lapwings, too, are in decline. Again, in the days when there were lots of lapwings around, if one was lucky enough to be below them while on a country walk, when they were wheeling and circling above, one could hear the scrunch of their wings. That is what gives them their Latin name of Vanellus, or little fan.

The consequences abroad are even worse. Prices will go down in the Caribbean, and the only place likely to profit is Brazil, which has cheap labour and virgin land. One forecast is that the Brazilian sugar industry has expansion plans to take over 90 million hectares of virgin savannah. I have also read that, by using only 14 per cent. of that land, Brazil could meet the world's entire need for sugar. If sugar production is thrown open without sustainability safeguards, we will be risking the destruction of an amazing habitat, one which I am told is home to 837 species of bird and 14,425 species of three orders of insects alone, including butterflies and moths. The consequences if the proposals go through unchanged are possibly very serious.

I move on to my specific questions. First, I am sure that the Government are taking this challenge seriously. I should like the Minister to confirm that and to tell us about the plans that the Government have to oppose these changes, in so far as they are drastic, severe and rapid, and to modify them into something acceptable to all who agree that some changes are necessary.

Are there alternative crops, including non-food crops, as opposed to winter wheat and winter barley? What crops with the same sort of financial rewards and with equal benefits to biodiversity could replace beet?

I am aware of the questions that the Secretary of State answered last week and looked at the impact study she mentioned from Cambridge university and the Royal Agricultural College. I cannot say that I read every word, because it was a huge tome. It does give alternatives; what can happen with a 25 per cent. cut in quota, with a 25 per cent. cut in price and with a 40 per cent. cut in price. All of those alternatives have pretty awful consequences, particularly for small-scale sugar beet growers.

To conclude, I cannot avoid going back to the skylark, because it is such a treasured feature of the English countryside. The skylark was celebrated by Spenser, George Meredith, A.E. Housman and Shakespeare himself. One of my favourite quotes is from a sonnet written by Shakespeare when he is extremely down in the dumps and thinks of his love:

"Like to the lark at break of day arising

From sullen earth, sings hymns at heaven's gate."

What a picture.

I am appealing not only on behalf of the lark, but on behalf of biodiversity as a whole and on behalf of the African, Caribbean and Pacific countries—which must not be disadvantaged—and our growers at home, particularly mine in Worcestershire, who may have as much of a third of their land under sugar beet.

4.27 pm

The Minister for the Environment and Agri-environment (Mr. Elliot Morley): I begin by congratulating the hon. Member for Wyre Forest (Dr. Taylor) on obtaining the debate and on the well-informed case he made on behalf of his constituents. I have listened carefully.

I hope that I can touch upon some of the points the hon. Gentleman raised in the detail of my reply. I regret that a lot of the detail is still under negotiation, so I cannot give him definitive answers on all of them. He raised issues on biodiversity and I shall touch on those, but there is one point that I want to respond to right away—the issue of Brazil is not in my notes and I do not want to forget.

There has been some misunderstanding about the issue of Brazil. There is no doubt that Brazil is a major and efficient producer of sugar. What people need to understand is that even with the Commission proposals, sugar prices in the EU will still be double the world rate. There will still be tariffs in place, and the only countries that will be exempt will be those African, Caribbean and Pacific countries that have access to the EU. That does not include Brazil. When people talk about Brazil gearing up, that is more speculation than fact, although I do not dispute that it is an extremely efficient grower.

I quite understand the point that the hon. Gentleman made about the importance to his constituents who are sugar beet growers. I have a few growers in my own constituency, in north Lincolnshire, where sugar beet is a major crop. I also share his fondness for sugar factories. There was one in Brigg, which was very important for seasonal employment to many of the rural communities that I represent. The beginning of the campaign was part of the seasons to me. I was very sorry when Brigg closed and production shifted to Newark—a similar case, with similar effects, to the hon. Gentleman's experience.

This is not the first time in recent months that the House has debated sugar sector reform, and I understand the reasons—particularly because the issues are being discussed in the absence of detailed legislative proposals from the European Union. We do not expect to see the detail of those proposals until May or June. That makes it difficult for the Government to give a detailed response at this stage. The honest truth is that we do not know; we have not seen all the details and we have not formulated a detailed response. We shall have to do that in due course.

I also understand the point that the hon. Gentleman made about the time scale, but we believe that the issue needs to be resolved as soon as possible. Farmers and processors need to know exact details, and the implications for their businesses, as soon as possible, so that they can make decisions accordingly.

Sugar beet reform has implications well beyond beet-growing in this country, because it is a complex negotiation, which also takes into account the effect on ACP countries and cane production. I accept that there are also more general economic and environmental implications, as the hon. Gentleman said. Reform also has an impact on trade and development policies and our international obligations, in the World Trade Organisation in particular. We have a difficult balance to reach in relation to the Commission proposals.

I must be honest and say that the current regime is 36 years old; it is seriously out of line with other reformed sectors and remains the most distorting and protectionist element of the entire EU common agricultural policy. I know that people accept that there is a need for reform, because of those factors. EU sugar prices are three times the world level. That is not sustainable and it affects other sectors—particularly food manufacturing and confectionery, which are big exporters. There are many jobs in that sector as well. That is not to say that we underestimate the importance of the reforms and the effect on the growers, but we must recognise that other players are involved. They do not always speak with the same voice; there is not a lot new about that where different sectors are involved.

The pattern of the CAP has been changed by the June 2003 reforms, which we very much welcome. Overall, the CAP reforms benefit the environment. I was very impressed by the hon. Gentleman's knowledge of skylarks; the Latin was particularly interesting. I assure the hon. Gentleman that we recognise the biodiversity issue, but we are attending to that through the CAP reform, cross-compliance measures and expansion of our agri-environment measures. Many of those are geared towards trying to reverse the decline in numbers of farmland birds in particular.

Farmland bird species are one of the Government's indicators of sustainability—we take that seriously—and of quality of life, for the reasons that the hon. Gentleman articulately outlined. I am pleased to tell him that from our latest figures it appears that the downward trend in farmland bird numbers, which has continued for a long time, has stopped. The trend has bottomed out. There appear to be welcome signs of an upward trend, although it is too soon to say. We need to be a bit cautious, but the easing of the downward trend is very welcome, and I am sure that the hon. Gentleman welcomes it too.

The reform of the sugar sector should be consistent with the principles that we have already agreed on CAP reform. The hon. Gentleman will know that the European Commission published a communication on sugar in July 2004, which set out the reform principles. The point was made that the existing regime is unsustainable and that early and radical decisions are needed. That, incidentally, was also the view of the Environment, Food and Rural Affairs Committee, which recently went into the issue of sugar reform and produced a helpful report. It was certainly very thorough and has been of great interest to the Government.

There is consensus that doing nothing is not an option. There must be change and reform. I regret that negotiations have been moving slowly in the EU. That is partly because the EU is awaiting the outcome of an appeal against the findings of a WTO panel on sugar. Incidentally, as those findings stand they reinforce the need for action. However, that is an added complication for the Commission when bringing forward its detailed proposals.

When the proposals are published, the Government will publish our own regulatory impact assessment of their effect on various sectors of the sugar industry, including the effect on sugar beet growers in the west midlands and elsewhere in England, so that we can have some kind of evaluation of that. We will also launch a

[Mr. Elliot Morley]

second full public consultation once the proposals have been published, so that we can get some reaction from the people who are affected. It is important that we recognise the significant implications for UK beet growers.

It is possible that the industry will not continue at its current level, as the hon. Gentleman said. Farmers who receive the single farm payment decoupled from production may choose not to continue to grow sugar beet at all, if other crops appear more profitable. That would be a rational response to market signals, allowing resources to be used to the best effect.

The hon. Gentleman asked about alternative crops. There is a range of alternative crops, and the Government are putting a great deal of funding into research and development: for example, into energy crops and industrial crops. I visited the Central Science Laboratory, where I saw a range of products that had been produced with materials such as flax and hemp. I saw what looked like a denim jacket, which had actually been made from nettle stems. I saw car dashboards and door panels made from hemp. Farmers have some quite interesting potential alternative crops, with new markets and developments. As a Government, we are funding the work, the development and the research into that, which is quite well advanced.

There may well be options, but in the end it is surely better to have a system where farmers are free to make judgments in relation to what they grow, where their markets are and who their customers are, according to the demands of their own priorities, skills and land. That must be the right way forward, and that is the position that we want to be in.

The hon. Gentleman also mentioned the independent research commissioned from Cambridge university, which looked at the implications for the UK of EU sugar reform. I think that that is helpful, as it gives us an idea of the implications and their extent. We have made that publicly available.

As I have said, we need to take account of all the players in the equation, including the cane refiners, industrial sugar users, consumers, taxpayers and of course the EU's actual and potential suppliers from developing countries, especially the African, Caribbean and Pacific countries, who have been sending cane sugar to the UK for refining for a long time. That is the historical reason why, as the hon. Gentleman rightly states, some EU countries have a much larger quota for sugar beet. Since before we joined the EU, as a country we have always made a large proportion of our market available to Commonwealth countries such as New Zealand and the ACP countries. When we joined the EU, that was recognised and protected so that our traditional links and markets were reflected in our membership. That explains the quota situation.

Our aim remains to achieve liberalising reform in line with what has been agreed in other sectors—a simplified, decoupled, market-based approach that is consistent with our sustainability policies. I am confident that that is in the long-term interest of all concerned, including sugar beet farmers and processors. The hon. Gentleman will be aware that the Commission is thinking of elements of compensation to reflect the general changes in agriculture, and in sugar beet in particular. We will have to take into account the detail of that when we see the Commission's proposals.

The hon. Gentleman has articulated concerns that are widespread in the sugar beet sector, which I also hear as a constituency MP. I have letters written to try to give my farmers an update on where we are. I regret that I am unable to go into a lot more detail, as I would prefer to do and as the hon. Gentleman deserves, because there is still a range of unknowns in the negotiations and the detail from the Commission. I can assure the hon. Gentleman that, as I said, the sugar beet sector will have the opportunity to comment on the Commission's proposals and the Government's reaction to them, and we will of course listen carefully to its submissions.

Question put and agreed to.

Adjourned accordingly at nineteen minutes to Five o'clock.

Westminster Hall

Thursday 20 January 2005

[SIR NICHOLAS WINTERTON *in the Chair*]

Health and Safety Commission and Executive

[Relevant documents: Fourth Report from the Work and Pensions Committee Session 2003–04 HC 456 I.]

Motion made and Question proposed, That the sitting be now adjourned.—*[Mr. Watson.]*

2.30 pm

Sir Archy Kirkwood (Roxburgh and Berwickshire): The House owes you a particular vote of thanks, Mr. Deputy Speaker, for having the wisdom to understand that the last time this important subject was down for debate, the distractions in other parts of the House were such that no sensible debate could take place. Thanks to your guidance, we will be able to spend some constructive time this afternoon doing justice to this subject. We are grateful to you for that service.

The Work and Pensions Committee published its report in July 2004 on the work of the Health and Safety Commission and Executive. We had just started to examine the subject, as it had just been transferred and brigaded with the Department for Work and Pensions after the 2001 election. We were anxious to answer the important question of whether the 1974 health and safety framework set up by the Act of that year was still fit for purpose. The answer to that is yes. The House should be reassured by that. Everyone to whom we talked, internationally and throughout the United Kingdom, no matter what side of the employment divide, was clear that subject to some concerns, which we will come to in the course of the debate, the framework and hierarchy within which the public policy was delivered was appropriate and robust. That is worth recording as the main finding of the Committee's work.

There are obviously concerns, and I can see Members in the Chamber, particularly those with trade union backgrounds, who have a great deal of direct experience in this area—much more than I have. No doubt, they will raise their own concerns. The Committee highlighted some areas that deserve further and better attention. They include concerns about resources—rather obviously because that is always a key part of public policy development—target attainment, legislation on corporate killing, which I am sure will feature in the debate, occupational health, and work force consultation. Perhaps one of the bigger but less recognisable problems facing the Health and Safety Executive is the significant challenge to health in future.

Since the publication of the report, the Government have rightly adopted a new policy for reducing working days lost in the civil service. There is a new programme called "Government Setting an Example", and the HSE will have to deal with that. The Government's target is to reduce working days lost by 30 per cent. by 2010, so another layer of responsibility has recently been added to the important work carried out by the HSE.

In the report's conclusions and recommendations, to which I draw hon. Members' attention, the conclusion that deserves the most attention, because it determines how we take policy forward, is about the direction of travel of the HSE: whether its apparently new approach to and emphasis on promoting business cases, developing partnerships and advising and educating, is to be substituted or given more priority at the expense of some of the more tried and tested ways of enforcing compliance through inspection and established procedures in the working environment. It should be helpful if the Department and the Minister helped us to understand whether we are right to be worried about that.

The conclusion that my colleagues came to, which may be old-fashioned and wrong, is that in a situation where resources are unarguably limited, the promotion of untested approaches that emphasise information and guidance in preference to inspection and enforcement flies in the face of the existing evidence. It is an important issue which we will obviously discuss.

The Government's response, which we received in October 2004 was more positive in some areas. Their response on migratory workers, for example, was positive and on procurements some good reinforcing messages were coming from the Department. However, the most disappointing response—which is neither new or unusual—was on resources, about which we were hoping for something better.

Looking around the Chamber, I realise that my colleagues are probably more expert in this area than I am. However, since the 1974 Act was put on the statute book, levels of injury have fallen significantly—the evidence is clear. Furthermore, Great Britain's record compares favourably on an international basis. Great Britain, at 1.7 per 100,000 workers, has the second lowest rate of annual workplace fatalities, which compares to an EU average of 2.8. Some of our European partners, such as Sweden are doing better than we are, but we are doing relatively well and that has to be acknowledged.

Nevertheless, it is slightly sobering to be reminded that there were 235 fatal injuries to workers in the last year for which figures were available—in 2003–04. That was an increase from 2002–03, so there is no reason for complacency. The increase is also true of major injuries. They were up 9 per cent. on the previous year, standing at 30,666 which is quite a lot of pain and misery for a large section of our employed work force. Finally, incidents of self-reported work-related ill health stood at 2.2 million in 2003–04, which accounts in total for 33 million lost working days. These are heavy prices that we are paying in the working environment. It is right that we should be paying attention to them.

Mr. David Rendel (Newbury) (Con): I am aware, as the hon. Gentleman is, of the pain and sadness caused by any workplace death and by serious workplace injuries, but there is more to it than that in terms of the economy. As I am sure he will acknowledge, the cost

[Mr. David Rendel]

of every death, and in particular the long-term cost of looking after those who are seriously injured, is very important as well.

Sir Archy Kirkwood: That is absolutely right. It is a helpful intervention as it takes me on to my next topic, which is resources. There is a cost-benefit equation. If we are careful and secure the appropriate level of support for inspections and workplace environment safety, we can save a lot of money.

Colleagues will recall that the 2002 spending review set a baseline for resources, which rose in the fiscal years 2003–04 and 2004–05. The figure then fell back to £271 million in 2005–06 and it will remain at that level until 2007–8. It does not take an economist to work out that when rising costs are taken into account, that is a reduction. Some argued to the Committee that that was a significant reduction in actual spending power. In addition, the overall budget settlement that was set out in the 2004 spending review committed the whole Department for Work and Pensions, where the HSE/HSC is now brigaded, to achieve annual efficiencies of at least £960 million by 31 March 2008, and at least half of that saving must be cashable. There was therefore a new pressure resulting from the 2004 comprehensive spending review on top of the one which was announced in 2002.

The fine print of the Treasury's technical notes shows that to live within its own financial settlement, the Department for Work and Pensions will have to make annual savings year on year of 2.8 per cent by the end of March 2008, and the HSE/HSC will have to take its fair share of that unless something different happens.

It was interesting to the Select Committee—we alluded to it in our report—that the August 2004 minutes of the HSC state:

"HSE believed that a 'flat cash' settlement was the most likely outcome".

The HSE was right about that. The minutes go on to state that that would have

"a significant effect on HSC/E's spending power, requiring more savings through efficiency gains and some tough decisions on priorities."

One can see that the HSE is well aware that it is under some pressure.

As if that were not enough, there were also the announced staff cuts, which will apply across the Department. A net reduction of 30,000 full-time equivalent posts and the relocation of 4,000 posts out of London and the south-east are to be achieved by 31 March 2008. This part of public policy is being delivered within a tight fiscal envelope.

It is true that the Government made it clear that they were prepared to consider the HSE as a front-line service. We welcome that, as it gives the organisation some protection, and rightly so. The Government response said that they would ensure that HSE/HSC

"has resources to carry out its duties effectively."

We are grateful for that, but there is some scepticism about the ability to achieve some of the Government's targets with the resources that are available. It may be difficult to do that.

One recommendation that attracted more than the usual number of press headlines after the publication of the report was that we should double the field operations directorate in order to do the job properly, and that we would need substantial additional resources during the next three years to be absolutely sure that the work that needs to be done is carried out. We received compelling advice on that point from Prospect and other organisations that know about such things. The truth is that we still do not know exactly what the spending profile will be or what the staff cuts will be for the HSE. It may be too early for the Minister to share information on that.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): The hon. Gentleman is making an excellent presentation of the report on behalf of his colleagues. I wish to make one point before he moves off staffing. The Select Committee's recommendation was to increase the work force. We heard evidence from the trade unions that an increased number of people are now in employment. Does he agree that that reinforces our argument for the need for more inspectors?

Sir Archy Kirkwood: I am grateful to the hon. Lady, who is a distinguished member of the Select Committee. She is right to say that we received powerful and cogent evidence that, even if nothing else happened, an expanding work force required further consideration of such matters and additional resources. Her comment is helpful and takes me to my next short section on targets.

The main targets were identified in 2000 in HSE/HSC's strategy document, "Revitalising Health and Safety". The targets were to run to 2010, and there are interim targets along the way. The three major indicators are all very ambitious: to reduce the incidence rate of fatal and major accidents by 10 per cent. by 2010; to reduce the number of working days lost per 100,000 workers from work-related injury and ill health by 30 per cent. by 2010; and, finally, to reduce the incidence of work-related ill health by 20 per cent. per 100,000 workers by 2010. I do not believe that any members of the Select Committee felt in their heart of hearts, knowing what the HSE/HSC is facing, that there was any realistic prospect of achieving the targets.

If that is the case, it is a serious matter that we must consider carefully. The autumn performance report for the Department for Work and Pensions showed slippage against all three targets in 2004, and there is no clear evidence of progress since the base year. We are right to draw attention to that. In addition, given the scale of the task ahead, including the huge job to do on health and the need to reduce working days lost in the public sector, we began to wonder whether it is not necessary to devote more resources to this important public policy area. It would be extremely helpful if the Minister could give us some idea of the expectations as measured by the Government's official targets.

Although it is important, I shall skim across the next section because other Members have more to contribute to it than I do. It is an important area of omission in the legislative Department because the Committee clearly identified some complacency in how to deal with the legislative commitments that the HSE made in its 2000 document "Revitalising Health and Safety". In that

document, it identified the urgent need for higher fines and clear legislation. I will be party political for 27 seconds—that was a manifesto commitment. That is the end of the party political contribution.

It is scandalous that we have not had a draft Bill. The Committee was prepared to spend serious time giving it pre-legislative scrutiny. The Government have promised one on many occasions. Others know more than I about the issue, which, I am sure, will feature later in the debate.

I hope that the same is true of the removal of Crown immunity. The employment community is looking for answers. There is no doubt that, as the evidence confirmed, it is a tricky business that involves dealing with prisons and hospitals. Everyone understands that Crown immunity is not something that one wanders into casually, but how long does it take to get a draft Bill? Even if the draft were rough at the edges, if there were serious people willing to take time considering it in Select Committees to try to find a way through, I hope that the Government would respond positively and quickly.

My penultimate point is about inspections. I am sure that other colleagues will also make this point, and I am repeating what I said. If it is a choice between education and seeking to influence matters in a proactive, anticipatory way, as opposed to formal enforcement activities, there are questions to ask about that choice. There are also questions to ask about how inspectors spend their time—whether they are engaged in proactive activity, anticipating accidents and going in to try to prevent them, or spending their time investigating accidents.

Jim Sheridan (West Renfrewshire) (Lab): The hon. Gentleman is making a compelling case on behalf of his Committee. However, as he was talking about inspectors, I bring to his attention the fact that, according to the Public Accounts Committee's report on the 2003–04 Session, there is one inspector for every 3,333 sites in the construction industry. How can an inspector possibly keep a handle on that many sites?

Sir Archy Kirkwood: That is an important question. I do not think that it can be done, but I defer to the hon. Gentleman's greater experience in the area. I am grateful for his support. I hope that we will be able to pursue some of those matters and get evidence to illuminate that question from the first-hand experience of hon. Members, which is one of the key questions of the afternoon.

At present, we are able to investigate only a small proportion of incidents. The best figures that we could find were that 11.4 per cent. of major injuries were investigated. Of course, all fatalities are investigated, as is right and proper. The HSE investigated 5.6 per cent. of all incidents that are due to be reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995—RIDDOR, for the cognoscenti. That is also a small percentage. Finally, 6.4 per cent. of work places in the jurisdiction of the field operations directorate were inspected. That confirms and reinforces the intervention. We must be careful that we are covering the territory to the length and depth that we think it needs.

The Committee came strongly to the view that inspection backed by enforcement was the most effective approach in motivating duty holders to comply with their responsibilities under health and safety law. Therefore, we recommend to the HSE that it should not proceed with the proposal that we think it is working on, which would shift resources from inspection and enforcement to fund an increase in education, information and advice. We have evidence that that is under consideration. If resources for inspection are scarce, they should be spent in the tried and tested way.

I shall address an issue that is not covered at length in the report but adverted to in passing. Since the publication of the report, we have had a chance to consider the Hampton review more closely. Colleagues will remember that the review was announced by the Chancellor in the 2004 Budget, and Philip Hampton was asked to consider with businesses and regulators, and in consultation with the Better Regulation Task Force, the scope for promoting more efficient approaches to regulatory inspection and enforcement while continuing to deliver excellent regulatory outcomes. In the interim report of that review, which was published with the pre-Budget report papers on 2 December 2004, I found the following worrying sentence:

> "Activity in the regulatory system has been skewed towards inspection rather than advice and compliance; regulations have been applied inconsistently both between different regulators and between individual inspectors; the cumulative burden of paperwork has been disproportionately burdensome on small business; different regulators have had difficulty joining their systems and operations; and the penalty regime has been cumbersome with few positive incentives for compliance."

In response, Philip Hampton has presented some policy solutions for consultations, including a number of suggestions that possibly contradict some of our recommendations. The first proposal is to ensure that in future no inspections take place without a good reason. To be fair to Mr. Hampton, it has to be said that he is dealing with the generality of the regulatory world, only a part of which is looked after by the HSE and HSC. However, if that proposal were rigorously and unthinkingly applied to HSE and HSC territory, I would be deeply concerned because it would clearly indicate a different approach to the suggestions in the Committee's report. We expressed concern about the low level of investigation of accidents and proactive inspections for reasons that I will explain.

Philip Hampton's second proposal was to concentrate more on advice than inspection outside high-risk areas. We must recognise that the world is now focused on a lighter-touch regulatory burden, and I am as in favour of that as anybody. However, we must be careful, and I hope that the Minister can reassure us that this approach will not be used as a front behind which significant changes can be made subliminally to the future tactics and direction of the HSE.

The Government have generally responded positively to Philip Hampton's work, and the Prime Minister seems to be committed to ensuring that that agenda is driven through. The Centre for Corporate Accountability expressed concern that the prime source of information for the Hampton review was conversations with employers, and it argued that it would be fair to talk to the work force before any final conclusions and decisions were made. We need

[Sir Archy Kirkwood]

reassurance that if the Philip Hampton agenda is gaining currency and momentum, employees and trade unions will be fully consulted before it is brought to bear on this important area of public policy.

A couple of terrible accidents occurred during the course of the inquiry—for example the fire in the Glasgow plastics factory in May. Such accidents bring the point home to us that unfortunately this area of policy gets attention only when there are disasters. It is a crucial area of direct importance to anyone with an interest in the work force environment in the United Kingdom. Emerging risks such as stress, smoke-related illness and road traffic accidents all need urgent attention. It is not a subject that can be tackled adequately on the cheap. I hope that the Select Committee report has made a positive contribution to the consideration of future debate, and I look forward to this debate and the Minister's response.

Several hon. Members *rose—*

Mr. Deputy Speaker: Before I call the next speaker, can I help hon. Members? It is important that the Minister be given adequate time to respond to the debate. She has told me that she would like at least 15 minutes to respond. I hope that hon. Members will bear that in mind when making their contributions. Similarly, I ask the Front Bench spokesman of the Liberal Democrat party and of Her Majesty's Opposition to bear that in mind. At least six Members have indicated to Mr. Speaker or me that they wish to contribute to the debate, so again I hope that Members will be disciplined.

2.55 pm

Ann McKechin (Glasgow, Maryhill) (Lab): I wish to place on record my congratulations to the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) and his Committee on this timely and thorough report. As many hon. Members will be aware, sadly, on the day that the Committee was taking evidence from Scottish witnesses—11 May 2004—the dreadful explosion at the Stockline plastics factory in my constituency took place. It was the worst industrial accident in Scotland since the Piper Alpha disaster almost 20 years ago. A four-storey building built more than 100 years ago was reduced to a pile of rubble within a couple of minutes. Nine people lost their lives—two of them parents of infant children—and 40 people were injured, many seriously. Some lost limbs and some suffered serious head and spine injuries. All the workers, even those who managed to walk out, suffered from severe shock as their workplace was thrown into darkness and chaos.

The explosion occurred not on a stand-alone site on an industrial estate, but close to the city centre of Glasgow, immediately next to a shopping arcade and almost within touching distance of blocks of flats. Some of the injured included local people who were walking on the street. To some extent, perhaps we were fortunate that debris did not blow out any further from the site, as that would have greatly increased the number of injuries to the many people who were walking about—the explosion occurred at lunch time—or driving past in their cars and to local residents who were in the shops.

I want to put on record again today my sympathies for the bereaved and injured, who are still recovering from that dreadful incident, which will stay with them for the rest of their lives. I also want to take this opportunity to praise again the magnificent response at that dark time from the local community, who were unstinting in their generosity, and from members of the emergency services, who were drawn from all parts of the United Kingdom and showed great professionalism and skill. The additional investment over the past few years in new specialist recovery equipment and training was undoubtedly a key reason why the final fatality total was not much higher. The emergency services' remarkable and relentless efforts to recover the victims at that difficult time was a real source of comfort.

However, after the initial shock, questions inevitably begin to be asked. It would not be appropriate today to discuss the cause of the explosion, as the investigation is still ongoing, but we hope that some answers will come in the next few months. I acknowledge that my right hon. Friend the Minister had a private meeting with workers and their families in November last year. I know that they very much appreciated not only the opportunity to speak to her directly but the obvious concern that she expressed.

It is vital that there is a full and exhaustive inquiry into the factors behind the incident. I welcome the approach of the procurator fiscal's office in Glasgow—it is conducting the inquiry in conjunction with the Health and Safety Executive—and its efforts to keep families and workers up to date with developments. I also commend the response of the Scottish Trades Union Congress in setting up a support group at an early stage to ensure that the voice of workers and their families is properly heard in what will inevitably be a long legal process, especially as none of the workers were members of a trade union at the time of the incident.

The Stockline workers and their families are entitled to full answers. They deserve no less, and I will press for the fullest of inquiries. It should not be acceptable that people can go to their work in the morning and end up in a pile of debris a few hours later. However, on the basis of the Committee's report I want to raise a number of more general issues that have arisen as a consequence of that dreadful event which I hope the Government will consider when determining changes in policy.

The health and safety record in Scotland is much more mixed than that of the United Kingdom as a whole. The numbers of both fatal accidents and major injuries in Scotland have increased over the past few years against an overall decline in the UK. In 1999–2000, there were 40 work-related fatalities in Scotland, but in 2002–03 there were 46. Over the same period, the number of major injuries jumped from 2,695 to 2,796. Also of concern is the fact that the number of convictions dropped over the period, with 125 in 1999–2000 but only 94 in 2002–03.

Wide disparities between Scotland and the rest of the UK are identified by the Centre for Corporate Accountability. Scotland is the worst performing of the seven regional offices, with the midlands ranked first. The centre points out that only 26 per cent. of deaths in Scotland resulted in prosecution, compared with 46 per cent. in the midlands. Those differences are marked and as we approach the point at which 50 per cent. of the targets under the revitalisation strategy should have

been reached, it is clear that Scotland is unlikely to meet those outcomes. That could indicate the unwillingness of a significant proportion of Scottish employers to endorse the strategy. It may also mean, as argued by the Scottish Trades Union Congress, that they are more willing to take the risk of not fulfilling their legal obligations in the absence of adequate deterrents or the reduced likelihood of being prosecuted.

I do not believe that this is an issue for which blame can be laid on HSE inspectors. The report highlights the evidence from a number of different organisations of the severe pressures that they currently face, to which the hon. Member for Roxburgh and Berwickshire referred. I also recognise that in raising prosecutions in Scotland, there is the additional burden of showing corroborative evidence. There is also the disappointingly low level of fines imposed by Scottish judges compared with our English colleagues. An average of only £20,000 as a fine for a fatality in Scotland certainly does not assist the work of the HSE.

Accordingly I urge my right hon. Friend the Minister to ensure that the particular challenges that are evident in the Scottish statistics are given specific attention. It is important that there is a universally agreed strategy and better co-operation between the HSE, the Scottish Executive, the Crown Office and local authorities to increase standards, and that sufficient resources are made available to ensure swift progress. Such a strategy should identify not only how to spread good practice but how to provide employers with training, especially in the small and medium-sized enterprise sector. That needs to be backed up by a targeted increase in enforcement practices. Sadly, there will always be a minority of rogue employers who will take a chance on their health and safety requirements on the basis that it will save them money and that the chances of being caught or being caught and having to face an onerous penalty are slim—so why not take the risk?

Just as with any other form of criminal activity, the rate of detection and appropriate penalties are the only effective deterrents for such employers. When assessing risk priorities there can be a danger of concentrating only on those areas that have been the subject of either intensive lobbying or are based on an assessment of recent court judgments. Those indicators have validity, but they may omit areas of work or types of workplace which on a completely objective assessment also pose a high risk of personal injury and death. The status of plastics factories in the current assessment would appear to me to fall in the latter category.

The plastics industry is characterised by many SMEs scattered throughout our towns, cities and industrial estates. Many of them are non-unionised workplaces. Employees frequently work with highly toxic chemicals and high levels of dust deposits. Very simple failings can lead to a major explosion if risks in the workplace are not properly understood, so the need for a strict regulatory environment would appear to be self-evident.

I was concerned to note that, at the time of the explosion, the chief executive of the HSE in Scotland, Mr. Stewart Campbell, was quoted in the *Sunday Herald* on 22 May as saying:

"The HSE sets itself a list of priorities identifying business sectors it currently deems as dangerous such as agriculture, construction and the health service. The plastics industry is not a priority. The types of injuries the HSE prioritises include falls, slips, trips and stress."

That raises the question why the plastics industry was not a priority, but falls and slips were. Was that decision based on the number of reported incidents over, for example, the past five to 10 years rather than on a scientific assessment of risk? The fact that there have been no major incidents over a period does not mean that there is not a risk. We need only look at recent flooding incidents in this country to show that risk does not necessarily manifest itself at regular intervals.

In 2002–03, there were two major plastics factory explosions in the USA, which killed 13 people and injured more than 50. Although the HSE issued new guidelines as a result of those incidents, it did not change their priority status. Can my right hon. Friend advise me today why not and why, in her correspondence to me, she accepts that some processes in the production of plastics are of potentially high hazard? Can she advise me how information on the new guidelines was disseminated throughout the industry and, given the high number of non-unionised workplaces, how extensively her Department believes the information has reached both employers and employees in the relevant factories? Will she say whether she is prepared urgently to reconsider the priorities of the HSE in light of those matters?

The Committee's report rightly highlights the apparent lack of consultation with employees in non-unionised workplaces. The TUC points to a number of recent academic studies that show much higher injury rates where there is no union presence—a difference as high as 24 to 50 per cent. I understand that in 2003 the HSE ran a number of pilots in which trade union-appointed worker safety advisors went into non-unionised organisations. The report on those pilots showed a promising record. More than 75 per cent. of employers said that they had made changes as a result and almost 70 per cent. of workers had seen an increase in their awareness of health and safety issues. Obviously, I would argue that joining a trade union is an excellent way to increase safety at work, but I also welcome the Committee's recommendation that the HSE publish proposals to develop improved rights to consultation for employees.

The Government's challenge fund is a worthwhile initiative, but, frankly, it will not be used by rogue employers and at the current level of funding it will reach only a very small proportion of small businesses during the next three years. Lack of union involvement appears on objective scientific analysis to be an important risk factor. It deserves to be treated as such and to be tackled with appropriate statutory regulation, rather than on just a voluntary basis which will continue to fail to pick up the worst offenders.

Finally, I would like to say a few words on the report's comments on a Bill covering culpable manslaughter—in Scotland, that is referred to as culpable homicide. I very much welcome the fact that since the report was issued, the Government have undertaken to issue a draft Bill and that in Scotland the Scottish Executive have

[Ann McKechin]

announced similar proposals for consideration. However, I urge both Administrations to reconsider the absence of any new offences on individual directors, as I believe that that would be a major weakness in our attempts to strengthen the law.

In Canadian law, which was radically reformed in 2003, a party to an offence—for example, a company director—can be prosecuted as an individual if they aid and abet the offence. The Canadian example also provides for a wide range of penalties rather than merely fines, and extends the liability to injuries as well as deaths. Any future proposals should fully consider penalties such as corporate probation, prohibition of business activities associated with the offending, dissolution for particularly serious and repeat offending, and equity fines that reduce the value of shares, thus preventing the cost of large fines from being passed on to consumers and the smaller client firms of the company concerned.

We have achieved a great deal since the 1974 legislation was introduced, but none of us are under any illusion about the task that we face to ensure that every employee can benefit from a safe workplace. I again congratulate the Committee on a well thought out report and urge the Government to ensure that any future changes in legislation and policy are focused on the most vulnerable groups and that we do not lessen the enforcement culture in a manner that encourages rogue employers to operate at will.

3.11 pm

Mr. Stephen Hepburn (Jarrow) (Lab): This is an important debate. I want to concentrate on the issue of directors' responsibility—I have a private Member's Bill on that coming up for debate in the not-too-distant future. This is also a chance to raise the issue of Mr. Tom King, an elderly gentleman who lives in my constituency and who lost his only son in a disastrous oil rig accident in Scotland some years ago. Despite going down every channel and following every path that he could, he has never been able to get justice for himself and his family following the tragic death of his son.

I welcome one of the key recommendations in the report: to place legally binding health and safety duties on directors. I was most upset and sad that the Government rejected that without any real consideration. Instead, they insist on continuing to rely on a combination of existing law, which was great in its time and is good today but needs to be strengthened, and a voluntary code of practice, without the strength of law behind it, which is no good whatever. One worker or member of the general public is killed in workplace and work-related accidents every day of the year. The Health and Safety Executive, which is no left-wing think-tank, and the trade union movement have turned round and said that two thirds of the deaths that occurred in 2003-04 could have been avoided had directors taken on proper responsibilities for health and safety in the workplace.

Let us look at the voluntary code of conduct, which does not have any legal backing, and what is happening in actual fact in the workplace. First, the code of conduct says that directors should assume responsibility for health and safety. That is ideal, but what is happening in the workplace? One third of large companies are ignoring the code of conduct altogether on that issue. Secondly, the code of conduct says that company boards should nominate a director specifically responsible for health and safety. Two thirds of large companies have not done that. Thirdly, company boards are asked to discuss—merely discuss—the welfare of their workers and the health and safety issues of their work force at their normal boardroom meetings. More than half do not even bother to do that.

The facts show that, without the full backing of the law, the voluntary code of conduct is not worth the paper it is written on. There are no incentives for directors to participate in the voluntary code and there is no punishment if they ignore or breach it. At the end of the day, not only are the workers who are creating the profits for those companies putting themselves in peril, but good companies are being affected detrimentally because they are participating in the code of conduct and bad companies are ignoring it altogether. That is why I praise the Work and Pensions Committee—the Chairman, the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood), gave a very good account of its work at the beginning of the debate—which has called for responsibilities to be placed within the boardroom. I agree, which is why I will shortly introduce my private Member's Bill.

I will take your guidance and be brief, Mr. Deputy Speaker, but I would like the Minister to address a number of points. We must remember that every day that goes by and every day that there is a delay in introducing corporate responsibility in the boardroom, another worker or member of the public dies. What would the Minister say to people who have been bereaved and who have to face the fact that their loved ones went out to work one morning and did not come back at night? How do we explain to those people that we are not introducing a proper law of corporate manslaughter?

Why should we rely on a voluntary code for health and safety when the full force of the law is brought down on directors on matters of company financing? It is absolute nonsense that a company director can get away with murder through negligence when a worker is killed, but is locked up for years if he is caught fiddling the books. How, morally, do we explain that nonsense to the working people of this country? I do not think that we can.

Why should we have to rely on a voluntary code when, owing to the very good work of my hon. Friend the Member for West Renfrewshire (Jim Sheridan), there are quite rightly legally binding regulations for other aspects of industry, such as for gangmasters and in the security sector? What is the argument? How can they have those regulations, yet they are not good enough for other workers who, on many occasions, are just as much at risk of being killed in the workplace?

I ask the Minister to reconsider her rejection of the Work and Pensions Committee's proposals. I know that legislation will come along, which has been referred to today, but without legally binding responsibilities on directors, that legislation will be as useless as what we have now. We will never be able to pin anyone down, which is why so few prosecutions of directors and people in positions of responsibility take place. I urge her to

reconsider that, and I urge the Government to support my private Member's Bill when it comes before Parliament to ensure not only the safety of workers in the workplace, but to put responsibility where it should lie: with the fat cats in the boardroom.

Mr. Deputy Speaker: Before I call the next speaker, I say to the hon. Gentleman who has just concluded his speech that the occupant of the Chair is addressed as Mr. Deputy Speaker. Although I am very happy to be called Mr. Winterton, I received a knighthood under this Labour Government, and I am very grateful to them for that.

3.17 pm

David Hamilton (Midlothian) (Lab): I do not know whether to address you as Sir Deputy Speaker now, Mr. Deputy Speaker.

First, I pay tribute to the Chairman of the Work and Pensions Committee. He diligently presided over many of the Committee meetings and if it were not for his impartial politics—he does not really involve himself in politics—he would not have run the Committee as efficiently and effectively as he did, and his report reflects that.

I welcome the Government's response in relation to the report in part. I am pleased that they have accepted some, if not most, of the issues that were put forward in our recommendations. The Committee covered a substantial amount of work through the visits and the evidence sessions. I believe that the conclusions and recommendations are pretty accurate, based on the evidence that we received.

During our evidence sessions, the Committee was mindful of the Scottish dimension. It is important to recognise that the Scottish Trades Union Congress is independent of the TUC. Many people do not realise that; indeed, it is older than the TUC. It is important to recognise, however, as my hon. Friend the Member for Glasgow, Maryhill (Ann McKechin) stated, that it is not just a question of the Scottish dimension in that sense. The Scottish legal framework is entirely different, and the administration of health and safety is carried out in a different way, too.

We took evidence in my beloved Midlothian constituency. It was the first time that the Select Committee had visited Midlothian, and it was well-recognised for doing so. I pay tribute to my colleagues for doing that. We took evidence from the Scottish Hazards Campaign, the Convention of Scottish Local Authorities, the GMB, the Union of Construction, Allied Trades and Technicians and the Construction Confederation, representing 75 per cent. of the industry. I shall return to that because it is an important part of the process.

While in Midlothian, the Committee visited the building site of the new Royal Bank of Scotland world headquarters on the outskirts of Edinburgh. The main contractor, a firm called Mace, set up the structure and organisation by putting trust and respect at the top of the agenda. I shall concentrate on the building industry because I was well aware that some of my colleagues on the Committee were widening its scope quite substantially. A number of lawyers serve on the Committee, so I can imagine what direction they will be coming from. As I said, I shall concentrate on the building industry, because I believe that that is one area in which we can make a fundamental change for good. In my trade union days, I happened to be one of those unfortunate people who had to go to people's houses to tell them that they had lost a loved one—in one case, a son. That is what drives me on the question of how best we can improve health and safety at the cutting edge. The issue is not only about fatalities, but about the long-term stress, injury and suffering that people experience following accidents.

The building site that we went to has 1,000 people on it; it will have 3,000 when work is completed. The site was more like a good factory than a building site; I have never seen a building site like it before. The safety record was exemplary. It was proved beyond doubt that a willingness by management to work with UCATT was an essential ingredient in delivering the health and safety programme. Here was a work force for whom absenteeism and sickness were virtually non-existent. Regular meetings took place between the contractor and UCATT, ensuring that safety precautions were a priority. The canteen facilities were excellent—we should remember that this is on a building site. They had televisions continually putting the health and safety message across. The key ingredients were the right working environment, a winning culture, in which everyone can succeed, a healthy work force, strength in training, the development of core and transferable skills—a very important area in industry—communication of success and reward for achievement.

Let us contrast that with what happens elsewhere throughout the UK. We received evidence that even when health and safety inspectors gave notice of their coming on to a site, telling the management the day and time of their visit, management representatives still did not comply with the legislation. UCATT general secretary Alan Ritchie gave evidence relating to what happened in 2003. The HSE did a blitz throughout the Glasgow area, and despite the fact that everyone was told in advance of the visits to the sites, 70 were issued with prohibition notices after the visits and 94 per cent. were issued with improvement notices. I emphasise that that was after the health and safety inspectors had told them that they were coming, including the day and the time. That shows how most employers treat health and safety: they treat it with contempt because the penalties are not appropriate. This is an important area that Ministers must address. How much longer is society willing to allow building workers to leave their home and go to work in the knowledge that they are working in what is possibly one of the most dangerous industries in Britain, and that they might not come back?

A major contributor to accidents is the lack of site training. I see the HSE as the last resort. The biggest benefit that the Government could provide is a relationship between employer and employee whereby that work is done on site, because that will be the factor that reduces the number of accidents. If we have to depend on the HSE—which would be ill equipped even if it was fully equipped—that would be as a response to an accident, rather than being on the scene before an accident.

What I am saying is especially true of subcontractors and those who are self-employed. A substantial number of people who do not have English as their first language

[David Hamilton]

now work on sites. That is a new dimension to some of the major problems that we face. One example concerns the Scottish Parliament building. When it was being built and inspectors arrived on site, a number of the contractors did not understand the signage that they were looking at, never mind the rules and regulations. That is a good example of a public building for which we were not demanding certain standards.

We must encourage the construction industry and all who are employed in it to start working in a relationship of trust. How do we achieve that? The answer is to give the management and the work force a high-calibre workplace; to invest in time, resources and people at all levels; to have strong communications that allow the sharing of knowledge; to have safe and productive working conditions; and to have a well planned logistics strategy.

That is the policy of a company called Mace. It also works with a safety league table for all its contractors. I think that there were some 60 contractors at any given time on the site. A league table of safety figures was produced every week, and if someone was at the bottom of that league, the major contractor pulled them in to find out what was going on. It was important that that incentive was there.

Mr. Andrew Love (Edmonton) (Lab/Co-op): Does my hon. Friend accept that the Government have a procurement role? They should ensure that the major contractor follows the health and safety procedures, and the major contractor should ensure that the subcontractors do likewise.

Mr. Hamilton: I was going to come to my hon. Friend's point later, but I will do so now.

The Construction Confederation's evidence stated that 40 per cent. of nearly all contracts in the UK were with the public sector—Government, local authorities, Parliaments or Assemblies—but health and safety is not part of the assessment of best value when the contract is agreed. If we do not get that right we cannot talk in financial terms about best value, as a company that has bad accident rate statistics could be taken on. The confederation proposed a list system of registered companies, and those on that list should be the only ones that can tender for the contracts.

Under European legislation, foreign companies can now bid for public contracts but they are not required to have the health and safety standards that we have in this country. For example, in Spain, safety standards in the construction industry are somewhat lower than they are here. The Government can lead by discussing the matter with the unions and with the Construction Confederation, which represents 75 per cent. of the industry. They could have their own penalties for taking people off the list if they did not comply with some of the standards agreed by the unions.

I return to the issue of the Royal Bank of Scotland site. One misconception is that contractors try to break the regulations and do things on the cheap; this site will come in before target and under budget, but it has high standards. I have been to the site several times and talked to the director, and what has been gained is a high attendance record and the value of job sharing and flexible working. There are computer sets on the site, and employees can gather information and knowledge for when they go to the next site. That translates itself into better working conditions and indeed better responses to the company. That is seen as a long-term investment, which is important.

Some employers and employees see the unions on construction sites as a threat when it comes to health and safety issues, when they should be seen as an asset in preventing accidents. As I said, I worked in the coal mining industry for 20 years, when health and safety was at the top of the tree in every discussion with the National Coal Board. The benefit was that the board was national and publicly owned, which meant that the profit motive was not the key issue. Profit is extremely important; we all tried to make a profit for the industry and the company, or the colliery where we worked, but every week, the unions would assist management in ensuring that health and safety was uppermost in everyone's mind. It was not uncommon for management to dismiss or discipline employees and the union, which was part of that disciplinary process, would not support a member who broke regulations that put other people in danger. That was accepted in the industry.

When I left school at 15 years of age and went into the coal mining industry we had to buy our own health and safety equipment. Hon. Members can imagine my shock when I first met building workers to find that that practice still exists. Many construction companies deduct the cost of a worker's helmet, gloves and boots from their first wage packet. We must address that issue because that shows clearly that such companies are not interested in health and safety issues.

The report of the HSE found that union-organised workplaces were up to 50 per cent. safer than those in a non-unionised area. Many companies, especially small-to-medium-sized firms, value the trade unions' input in terms of understanding what their responsibilities are. When I was young in Midlothian, there were 12 companies that employed 1,000 people; there are now 1,000 companies in Midlothian employing fewer than 12 people. They are not union-organised, nor are they work force-organised. Those employers often know every individual in the company; indeed, in many instances they are personal friends. Many of those small companies are fighting to survive, and health and safety issues are not their priority. It is fortuitous and good that the trade union movement has said that we should be examining the possibility of roving health and safety representatives, who would go round the various areas, not with a negative agenda, but to assist many such companies.

The Construction Confederation said in Midlothian that there had been a pilot scheme in the midlands in 2004, through the confederation, with roving representatives who went round 30 small and medium-sized enterprises, looking to see how they could assist. I would be interested to know whether the Minister has any information on that scheme. My hon. Friend the Member for Glasgow, Maryhill indicated that she was aware of that pilot scheme. I would like to know whether a report on it is available.

Many small companies that have fewer than 21 employees have indicated that they would benefit greatly from the roving commissioners. Greater enforcement of health and safety legislation would expose the minority of companies which flout it because they think that they will not get caught. Even when they do get caught, they consider that the benefits that they gain by not accepting the health and safety legislation compensate for the slap on the wrist.

I agree with my hon. Friends who said that there should be a tightening of the corporate manslaughter Bill. I am disappointed that it has had to be delayed again, after the Select Committee appointed three people to consider it. I hope that that Bill will be implemented, because it will be a major development in ensuring that employers take a serious position on health and safety issues.

The Construction Confederation representatives said that they felt quite bitter about the Government imposing certain regulations on them, while at the same time not assisting the industry in doing what it could to ensure that only those who complied with health and safety legislation should be on tender lists. I support the confederation's position on that matter. It is not a question of hammering employers; I support all good employers. The industry, by its nature, will continue to be dangerous. The Government should try to ensure that when a man or a woman leaves their home in the morning, they will return breathing, and with every limb intact. We can do much to ensure that. I congratulate the Chair and members of the Work and Pensions Committee on coming up with recommendations which, I believe, can achieve some of our goals

3.33 pm

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): For the record, I state that I am a member of the National Union of Mineworkers, that my constituency is sponsored by the Union of Construction, Allied Trades and Technicians, and that I chair the all-party group on occupational safety and health, which is sponsored by the Trades Union Congress and the British Safety Industry Federation.

I congratulate the Committee on a first-class and comprehensive report. It illustrates the structure of the Health and Safety Commission and the Health and Safety Executive and shows that, within the framework of the Health and Safety at Work, etc. Act 1974, they have facilitated major improvements over the past 30 years.

I fully support the Committee's recommendation 15, at paragraph 142, which concludes that the evidence shows that it is

"inspection, backed by enforcement, that is most effective"

in ensuring that employers comply with their health and safety duties.

My hon. Friend the Member for Midlothian (David Hamilton) referred earlier to his experience in the mining industry. He will be aware that the Robens report of 1972 was the report from which the 1974 Act evolved. Lord Robens had finished his 10-year stint in the mining industry and was aware of the important part that lay safety representatives played in making British collieries the safest in the world. He used that experience in the recommendations that he made and that were taken up in the 1974 Act.

In my contribution, I want to refer to two sections of the report: first, section 8, which deals with the changing world of work, in relation to which I want to make reference to the construction industry and the NHS; and secondly, section 16, in particular, recommendation 33, about which I want to say a little bit about occupational health support.

It is clear to everyone that the world of work has changed dramatically in the past two or three decades. We have seen much more outsourcing and the introduction of agency workers, and those changes present greater challenges for health and safety. Greater outsourcing has undermined the safety culture in some industries. We saw that in the accidents that occurred on the railways when the focus was on outsourcing. It is good to see that much of the work on the railways that was outsourced has been taken back in-house.

The construction industry in particular is fragmented because of the way in which it is organised. The sub-contracting culture has fragmented it and makes health and safety difficult to control. A recent study commissioned by the Union of Construction, Allied Trades and Technicians showed that problem quite clearly. The study concentrated on false self-employment. It is the only industry in the UK where the self-employed have their tax deducted at source, and the report made recommendations that the Treasury has taken up. I understand that a pilot study may be introduced to consider the way in which one defines work status in the construction industry. Things are beginning to move, but I note that in last autumn's *Building Worker*, the paper produced by UCATT, the outgoing general secretary, George Brumwell, who was also a health and safety commissioner, said that he was still concerned about what is happening in the building industry. He said that

"although the number of fatal accidents has remained roughly the same"—

about 70 a year—

"there has been a 35 per cent. increase in fatalities amongst the self-employed."

We need to concentrate our efforts there. There is a way forward, through enforcement and partnership, and I suggest to the Minister that we need a round table with the unions, their solicitors, the solicitors for employers and, in particular, the British insurance industry.

We must reach an understanding whereby sub-contractors on building sites have to sign up to the overall health and safety policy of the main contractor. That policy should be vetted by the Health and Safety Executive. The sub-contractor should be encouraged to sign up to it and offer training to its workers by virtue of reductions in their employment liability contributions, to be agreed by the insurance industry. If we concentrated in that way, using enforcement as well, we could start to get to grips with the accident rate in construction.

David Hamilton: Would my hon. Friend agree that, as a by-product of his proposal, the Treasury would gain more money? Many of those bogus self-employed people are regulating themselves, therefore their wages are not being calculated. Financial fraud is being committed by many of those bogus workers.

Mr. Clapham: I entirely agree with my hon. Friend. The report produced by UCATT suggested that the

[Mr. Clapham]

Treasury is missing out on between £1.5 billion and £2 billion. By defining employment status properly for application, the Treasury would benefit.

Another industry where we have seen enormous changes is the NHS. We see agencies working within the NHS and one of the main causes of injury is needlestick injuries. It is estimated that there are up to 100,000 such injuries each year, and they cause great anxiety because there is always the potential of transmitting a blood-borne disease, such as HIV or hepatitis B or C. Last year, the union Unison suggested that 80 per cent. of such injuries could be avoided by the introduction of a safer needle policy. There are needles that retract and needles that can be capped.

I suggest to my right hon. Friend the Minister that she should have a word with her colleagues at the Department of Health, who some time ago promised to issue guidelines for the whole of the NHS. Those guidelines have not yet gone down the line, but they are required. Some hospitals have a strict needlestick policy, such as my own district hospital in Barnsley. That hospital is leading the field in its safer needle strategy, and the Royal College of Nursing has referred to it as an example. There is a lot to be done to encourage hospitals to adopt a safer needles policy and to spend extra on buying in needles that are safe.

Rob Marris (Wolverhampton, South-West) (Lab): Before my hon. Friend leaves the NHS, is he aware that in recorded injuries—in contradistinction to those that are not recorded—the worse sector in this country in which to work is the NHS? In terms of recorded injuries, it is actually worse than the construction industry, although there are many more serious injuries in construction that do not get recorded. Does he agree with me that it is shocking that the vast majority of nurses, who have the highest rate of needlestick injury and back injuries, are employed by the Government? The Government are responsible for the sector that has the worst record of reported injuries in the country.

Mr. Clapham: My hon. Friend's intervention was pertinent. I hope that the Minister will take it on board and pass it on to her colleagues at the Department of Health.

An occupational health service is extremely important. I have referred to the changing world of work. The number of people now covered by an occupational health service is less than it used to be. When the large industries, such as British Coal and British Steel, were producing their labour forces were covered by their occupational health service. In the coal mines, for example, the specialists employed were doctors. Many collieries had a doctor who visited regularly. Some collieries had a doctor based at the medical centre. All that has gone and many of the workers in the new, smaller industries are not covered by an occupational health service. It is important that that point is addressed, as it was by the Committee, which referred to the NHS taking on that core job of providing an occupational health service. That could be done, but I urge caution as well. It is not just a matter of providing the service, but of ensuring that research and longitudinal studies are done.

In the British coal mining industry, for example, our occupational service was second to none, yet communities were let down because no longitudinal studies were done. During the 1960s and 1970s, and into the 1980s, tens of thousands of men left the industry with respiratory diseases each year. The cause always went down as smoking. Had those studies been done, they would have shown clearly that the dust was an issue. There had been great technological developments in mining, such as improvements to the cutting of coal, but they were not complemented by technological developments in dust suppression. Indeed, as a result of much of the technology there was more dust. We can now see the result: the Government are taking on the largest compensation claim that has ever been accepted anywhere—for chronic obstructive pulmonary disease, which will, it is estimated, cost the Government £7 billion. So it is important that research in the field of occupational health is continued.

Asbestos is another issue on which we need to ensure a universal approach to providing treatment. The latest study suggests that, between 2000 and 2050, there are likely to be 186,000 deaths as a result of cancers caused by exposure to asbestos. That is a terrible legacy, but one that we can do little about. There is something that we can do, which is ensure that the Department of Health provides a treatment and care strategy for those who have developed cancers because of exposure to asbestos. I hope that the Minister will take up that point with her colleagues at the Department of Health, because it is important that we put in place a strategy that will provide not only treatment but care for the victims of asbestos exposure. The legacy is inevitable—we will not be able to avoid it. However, a treatment and health strategy would be a great help to the victims.

In conclusion, the report identifies what, to my mind, is required to make the 30-year-old Health and Safety at Work, etc. Act 1974 more relevant to today's industry. The recommendations that it makes would robustly strengthen protection for workers.

3.48 pm

Tony Lloyd (Manchester, Central) (Lab): I also congratulate the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) on his Committee's report, which is excellent. I will give one qualification to that, which picks up where my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) left off. It is that, in an excellent document of 100 pages, there are only 10 pages on occupational health. That shows the balance that, unfortunately, we always face on occupational health. However, the damage done to the health of our nation by preventable issues about health—as opposed to safety—in the workplace, means that there are enormous dividends to be gained by society in general and by individuals who would not have their health ruined by focusing on occupational health.

My hon. Friend is absolutely right to look back at the scandals of the past, such as asbestos. The asbestos industry knew very well what the dangers of that mineral were and what challenges it posed to those who work with it and their families and communities. The fact that the industry was so cavalier in its refusal to face up to its responsibilities is indicative of our potential asbestos inheritance—many thousands of people will be

affected by asbestos in future and it will cost the public an enormous amount. The incredible thing is that almost all of that was easily preventable at the time.

It is worth dwelling on what is perhaps a past issue, although its consequences are still with us, in case we risk taking the same cavalier attitude to other aspects of the world of work. We are not carrying out longitudinal studies, as my hon. Friend urged, to examine for example the impact of the use of new chemicals and procedures in the workplace, which pose challenges to the health of those involved. We need a massively better and more sophisticated health régime in the world of work. One thing that we could give as a gift to the future, which would be comparable to the Health and Safety at Work, etc. Act 1974 and the private Member's Bill proposed by my hon. Friend the Member for Jarrow (Mr. Hepburn), would be a framework for occupational health to take us way beyond anything that we have considered before.

I strongly advise my right hon. Friend the Minister that the national health service should not be seen as a repository for occupational health. It is best to tackle that in the workplace rather than tackling its consequences in hospitals and surgeries. We have to move away from the idea of dealing with occupational illness and take a much more proactive view of occupational health. That costs money, and the HSE and others will need to be properly resourced to undertake the task.

Mr. Rendel: I hope to catch your eye, Mr Deputy Speaker, and talk in more detail later, but one of the risks that the hon. Gentleman may want to consider in talking about preventing long-term risks is smoking—not least passive smoking—at work.

Tony Lloyd: The hon. Gentleman is absolutely right. The Committee makes strong reference to passive smoking and that debate will almost certainly move into the mainstream political agenda in the near future. Although there may be different views, there is a consensus on the increasing need for limitations on the automaticity of the right to smoke and therefore to pollute the environment of others. That is important because of the prevalence of smoking in society, but it is only an example of the activities that we must begin to re-examine in the modern world. The cavalier view taken in the past of individual or employer rights cannot be sustained, and we must re-examine it.

I now turn to the more traditional debate about the safety culture. Disappointingly, the advances that came from the 1974 Act, and the culture and regime that it established, have not delivered what they could have. That has been for a number of reasons including under-resourcing, which has been a feature over the years. The Committee was right to point out that the HSE is not yet adequately resourced to do the job that we want it to.

One thing that we can take as an axiomatic is that there should be no party politics in health and safety. Cutting costs around health and safety can never be legitimate. Many good employers deplore the fact that they end up in competition with employers who erode the cost base and effectively compete by putting the lives and safety of their employees at risk. That cannot be acceptable in modern Britain, so I hope that the debate on health and safety will be cross-party.

A number of my hon. Friends have already made the point that we ought to be saying that bad employers who are so cavalier are criminals—no other language provides a proper description. Those who put the safety of the work force at risk are criminals. When it is by neglect, it is criminal; when it is by knowledge and near-design, it is even more intolerable. That is why I strongly support the private Bill of my hon. Friend the Member for Jarrow.

As hon. Members have said, the time is long overdue for the Government to introduce legislation. My right hon. Friend the Minister has not been in the post long enough to take responsibility for those delays, so I hope that she will take that criticism gently for herself, but as a legitimate criticism of the slow pace of Government.

It is regrettable that the Government have behaved in this way. I know that one reason given for the long time that it has taken to bring matters to a conclusion has been the lobbying by the permanent secretaries in different Ministries, who have been concerned that they would be liable to prosecution if Departments were found to be negligent in their own stewardship of health and safety. It is not acceptable to have special pleading from the mandarins, however dear to our hearts they are. They should end up in the dock just like any other employer, if they fail in their duties to their employees. As my hon. Friend the Member for Midlothian (David Hamilton) said, that should apply to Members of Parliament too, if necessary. If we are bad employers, individuals could suffer the consequences.

The importance of the Bill proposed by my hon. Friend the Member for Jarrow is that it sets out a clear and simple way to determine liability and responsibility. It is not good enough to say that companies take on responsibility: named individuals must know what their rights and duties are. There is always a good defence in law. Many legal experts have told me over the years that it is easy to put into any Bill a legitimate defence that a director took proper and adequate steps to create a framework that provided proper and adequate safety for the work force. If accidents happen within that framework, the named directors have an adequate defence. But it is intolerable that, when things go terribly wrong, no one person ends up in court.

Over the years there have been terrible accidents of international fame in this country—the Herald of Free Enterprise, Piper Alpha and King's Cross. I could go through a whole list. Hundreds and hundreds of people have had their lives taken away by the casualness of others, but not one person has ever ended up in court, facing charges as an individual. If they had, it could have led to them being sent to prison and given the exemplary penalties that we would expect to see if someone drove recklessly in a motor car or behaved recklessly in any other way. How can we say that to cook the books is a serious criminal offence, but to kill a colleague or an employee is of much less consequence? That cannot be right in the type of society that we want.

I am conscious that others want to speak in the debate, so I shall conclude. I believe that the HSE does a good job but, as my right hon. Friend the Minister knows, from time to time I have criticised what it does. My criticisms are not of the quality of its work at the operational end, but I have concerns about the direction

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and strategy adopted by its most senior management. Some of those criticisms have been voiced in the report and some in today's debate.

One thing that we want to do in our society is make sure that every employer knows that the good employer is not put at risk by health and safety legislation, but the bad employer stands a good chance of being found out and will then suffer the consequences directly and immediately. We expect to find that exemplary system of penalties in every other walk of life; we should expect the same when it comes to the safety of people at work.

3.59 pm

Jim Sheridan (West Renfrewshire) (Lab): Although I am not a member of the Work and Pensions Committee—one lives in hope—I am a proud member of the Transport and General Workers Union which, together with the Union of Construction, Allied Trades and Technicians—UCATT—has long campaigned for safety in the workplace and, more important, for responsibility in the boardroom. If we are to achieve those two goals, legally binding health and safety duties should be placed on company directors.

I congratulate my hon. Friend the Member for Jarrow (Mr. Hepburn) on his private Member's Bill on directors' duties, which lie at the heart of the Work and Pensions Committee report. He certainly was a tower of strength to me when he assisted with my Gangmasters (Licensing) Bill. I am deeply appreciative of that.

I am concerned not just about the Government's commitment to my hon. Friend's private Member's Bill, but about the commitment of the Opposition parties as well. I hope that they will demonstrate commitment to the Bill and ensure that it gets on to the legislative programme.

Another major area that I am concerned about is the announcement just this week that the trade union learning fund, which does a great deal to help shop stewards and health and safety representatives educate their members and colleagues in the workplace, will be cut should a Conservative Government come to power. I ask the hon. Member for Daventry (Mr. Boswell) to use his good influence with his party's Front Bench Members and ask them to reconsider their position.

As I said, my contribution will be about the role of company directors. I shall pose questions that I believe need answers and outline the current position.

Do company directors have a role to play in ensuring workplace health and safety? I have to say from the outset that no individuals in a company are more important to ensuring safety in the workplace than directors. Company directors have the power to decide the level of resources that the company puts into health and safety, the extent to which managers in their companies prioritise health and safety, whether their company is subject to proper health and safety audits, whether it is proactive in identifying unsafe practices, and how those practices can be changed.

Do company directors have explicit legally binding health and safety duties under the law as it stands? Unfortunately, they do not. Under current company law, directors have no explicit statutory duties to ensure that their company complies with health and safety law. Instead, all the principal duties under health and safety law are placed on employers—that is, on the companies.

Does placing health and safety duties on a company mean that those duties are placed on the company's directors? Again, regrettably, I have to say no. Placing legally binding duties on a company does not place legally binding duties on its directors. A company's legal identity is separate from the directors who manage it, and duties placed on the company do not require individual directors to take any particular action in respect of health and safety.

Are there legally binding health and safety duties on other individuals? Fortunately, there are. Although the Health and Safety at Work, etc. Act 1974 places no explicit duties on directors, it does impose statutory health and safety obligations on the self-employed, on employees and even on members of the public under sections 3, 7 and 8 respectively.

Mr. Love: While my hon. Friend is on that issue, would he agree that the fines that can be imposed under the 1974 Act are, frankly, derisory and that there is no such thing as a custodial sentence? The flagrant lack of commitment to the obligations of the Act are undermining health and safety, which is not appropriate in this day and age.

Jim Sheridan: My hon. Friend makes a perfectly valid point, which goes to the heart of the problem. He also has a proud history as a member of the TGWU and as someone who has dealt with health and safety issues. He is absolutely right. The current fining system is derisory. It does nothing to help health and safety in the workplace. Perhaps if serious charges were brought against directors, it would concentrate the minds of those responsible for health and safety. That is long overdue.

Are other legally binding duties placed upon company directors? As has been mentioned, the law imposes statutory financial duties on company directors which, if breached, can result in jail terms of up to seven years. For example, directors have legal duties and can face criminal prosecution for failing to pay tax on time, VAT and national insurance.

Again the Work and Pensions Committee supports legally binding directors' duties on health and safety. In its July 2004 report, "The work of the Health and Safety Commission and Executive", the Committee called on the Government to introduce statutory health and safety duties on company directors. It concluded:

> "The imposition of legally binding duties on directors would increase the likelihood of directors taking ownership of health and safety problems, positively impact on the current levels of preventable work-place death and injury and create more of a level playing field between those directors who take their health and safety responsibilities seriously and those who do not."

That goes back to the point that my hon. Friend made earlier about responsibility for health and safety.

Do the Government support legally binding directors' duties on health and safety? To our shame the answer is no. In their October 2004 response to the

Work and Pensions Select Committee report the government stated:

"The government believes that there is already an appropriate balance of legislative and voluntarist responsibilities on directors for occupational health and safety, and has no immediate plans to legislate as recommended."

The Government have now asked the Health and Safety Commission to undertake further evaluation to assess the effectiveness and progress of the current legislative and voluntary measures, and to report its findings and recommendations by December 2005.

Have the Government changed their position on legally binding directors' duties on health and safety? Yes. Their rejection of the Work and Pensions Select Committee recommendation that directors' duties be introduced marks a complete U-turn in Government policy. In their June 2000 strategy statement on health and safety, "Revitalising Health and Safety", the Government not only instructed the Health and Safety Commission to draw up voluntary guidance, but pledged themselves to introducing legally binding health and safety duties for company directors saying:

"It is the intention of Ministers when Parliamentary time allows, to introduce legislation on these matters."

I would welcome the Minister's response to that.

Is the voluntarist approach working? As some of my colleagues have already said, the answer unfortunately is no. Domestic and international research submitted to the Work and Pensions Select Committee clearly shows that companies identify statutory regulation, rather than voluntary codes, as the most important factor for motivating positive health and safety performance. Research commissioned by the HSE into the effectiveness of the HSC voluntary code has shown that since it was introduced the boards of directors of one third of large firms have not assumed any responsibility for ensuring their companies operate safely; two thirds of company boards have no specifically appointed health and safety director; and only 40 per cent. of boards discuss health and safety on a regular basis.

Will the Government's promised draft Bills on corporate manslaughter and company law introduce statutory directors' duties? Unfortunately, the answer is no. In the Queen's Speech, on 23 November 2004, the Government announced their intention to publish a draft Corporate Manslaughter Bill and a draft Company Law Reform Bill. However, they stated that neither Bill will introduce directors' duties on health and safety. I find that unacceptable.

Finally, is there an economic case for legally binding directors' duties? It has to be said, yes. Figures from the HSC for 2003–04 show that more than 3 million people suffered from work-related ill health and more than 38 million working days were lost due to workplace injuries and work-related ill health. Legally binding directors' duties would therefore ensure effective management of health and safety risk which in turn would help increase the productivity of the work force by reducing incidents of workplace illness and injury. It would also improve the company's reputation in the eyes of workers, customers, competitors, suppliers, other stakeholders and the wider community. In addition, it would minimise the likelihood of prosecution and consequent penalties and create a level playing field between the law-abiding companies which adhere to the current voluntary guidance and unscrupulous companies that ignore it.

In conclusion, if all parties in the House are keen to demonstrate that they want to improve health and safety, I genuinely believe that they have an ideal opportunity with a private Member's Bill which stands in the name of my hon. Friend the Member for Jarrow. I would sincerely hope that not only the Government but all Opposition parties do everything that they can to support it.

4.11 pm

Mr. Andrew Dismore (Hendon) (Lab): My first proper job was as a trade union official in the 1970s, in which I trained other trade union officials in health and safety, among other issues. I thereafter became a solicitor, specialising in cases of industrial accidents and working with victims on obtaining compensation. I have therefore been professionally involved in this area for some 30 years. I remain a consultant to my law firm although I am not taking any cases. Thirty years after the Health and Safety at Work, etc. Act 1974 it seems to me appropriate that the Work and Pensions Committee should conduct a review of its operation and what has happened since.

There are so many issues raised in our report that it is very difficult to decide which ones to focus on. It is a matter only of regret that there are no Opposition Back Benchers, save for the Chairman of our Select Committee, the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood), to participate in this debate and to hear the excellent contributions of Labour Members.

The world of work has changed dramatically since 1974 and the Health and Safety at Work, etc. Act. There are now far fewer people in heavy industry and more working in offices. If one compares 2004 with 1978—the earliest figures that I could find—one finds that some 47 per cent. fewer people work in manufacturing and construction, but 44 per cent. more work in the service industries. More than 1 million people work from home and 2.2 million people use their home as a base. A job for life, which used to be the norm, has been replaced by agency, part-time and, increasingly, migrant workers. But those old hazards are still around.

We have heard graphically from my hon. Friend the Member for Midlothian (David Hamilton) about the problems in the construction industry. I draw attention to paragraph 137 of our report, where that point is brought home. There it is shown that, despite warnings given to employers on three separate occasions, a month, a fortnight and a day before inspections were to take place, when a blitz was carried out, 444 sites were visited, 259 improvement and prohibition notices were issued and there were 10 prosecutions. That shows how little interest there is in health and safety on most construction sites. However, having visited the site referred to by my hon. Friend, I know that it does not have to be that way.

Some old hazards are still very much ignored, and I shall refer later to the problems of road accidents, which are linked to work. We can now see the consequences of the then-emerging risks of 30 and 40 years ago—of asbestos and the terrible disease of

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mesothelioma about which we heard earlier; of noise deafness; of vibration white finger; and of various occupational cancers. Had those risks been taken into account 30 or 40 years ago, they might have been avoided and those terrible illnesses prevented. New hazards are now emerging, and I question whether we are liable to fail to address them, just as we failed when those of 30 or 40 years ago were storing trouble for the future.

Our report refers to passive smoking. Some 1,000 deaths a year are attributable to passive smoking and I am pleased that the Government seem now to be taking the issue seriously. However, there is very little progress on the question of stress. In 2003–04, nearly 13 million working days were lost through stress. For every 100,000 workers, there are 56,000 lost working days. During our inquiry we saw very little evidence that stress is taken seriously by the HSE, or by local authorities, whose job it is to enforce the law where stress is most likely to arise—in offices and in the national health service. We heard evidence that there had been only one prosecution ever for offences giving rise to stress. The setting of targets, to which the Chairman of the Committee referred at the start of the debate, shows that there has been very little progress, and it does not inspire confidence in the proposed change of approach.

Kevin Curran, the general secretary of my union, the GMB, told the Committee—in paragraph 110 of our report—that the HSE had been slow to respond to the question of migrant workers. He said:

> "The problem I have is if you look at the agency's policy document to 2010 it does not mention migrant workers, it has not got a policy for them. I find that quite incredible."

So do I, and so did the Committee.

Migrant workers face many barriers. There is a language barrier. Warning signs, particularly on construction sites, may be utterly incomprehensible to migrant workers, and health and safety instruction and training may be given only in English—a language that may not be understood by those on construction sites. There are cultural barriers, too. We heard that, for example, the crane hand-signals given on construction sites differ throughout Europe, and serious accidents could happen. We heard also that migrant workers fear what might happen to them if they make a complaint—that they might get the sack or not receive the protection that the law affords. We saw a lack of enforcement, and a lack of knowledge of the problems of migrant workers. Such problems lead to the circumstances of the cockle pickers in Morecambe bay. Even now, we have little idea of the scale of the problem of gangmasters—a problem that the Bill promoted by my hon. Friend the Member for West Renfrewshire (Jim Sheridan) was designed to tackle.

As chairman of the all-party Chinese in Britain group, I have heard much evidence about how people from that community are exploited not only at Morecambe bay, but throughout the country. There is some good practice, but it has not been generalised, and there is an urgent need for research and a targeted strategy to deal with the problem. In paragraph 111 of our report, we call for urgent research to improve the understanding of the occupational health and safety risks to migrant workers, in order to work out a targeted strategy to manage those risks. I am pleased to say that the Government responded by stating that they share our concern, and that there was to be an interim report to the HSC in December last year. So far, however, as far as I am aware, it has not been made available to the Committee. I hope that the Minister can report on its progress.

Work-related road safety is an old hazard, but there is now much greater awareness of it. We have white van man speeding to meet unachievable delivery targets and having an accident, and the sales rep falling asleep at the wheel of his Mondeo, because of the impossible distances that his company has asked him to cover. The statistics, referred to in paragraph 218, are staggering. The HSE reckons that there are approximately 860 to 1,130 work-related fatal accidents a year on the roads, compared with only 226 accidents in the traditional workplace. It estimates the number of serious injuries due to work-related road traffic incidents to be between 8,980 and 11,870 a year—a staggering statistic.

Those figures are estimates, and we do not know the accurate figures, because it is not a HSE priority. It leaves the matter to the police, but the police look at an accident after it has happened to try to work out why it occurred. They look only at driver error or mechanical defects; rarely do they go back to the employer to decide whether the employer's system or maintenance programme was at fault. It all ultimately comes back to the driver. Similarly, far too many health and safety offences in the outside world come back to the individual employee. They are blamed when it is often the employer's fault.

The reason why we do not know the figures is that there is no obligation under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 to report such accidents to the HSE, which is the very least we should expect. I was pleased that when the Minister gave evidence to the Committee, she agreed to take that issue back to her Department. Perhaps she will tell us whether she now agrees that something should be done. The HSE must have the resources to do the job properly, and at-work road accidents must be treated as accidents at work, which is what they are. There should, at the very least, be an approved code of practice to help people to decide how such accidents should be considered and dealt with.

We have heard a lot today about inspection and enforcement, and I do not want to say a great deal about that, save that the Committee was far from convinced about the change of emphasis that the HSE proposes—moving away from inspection and enforcement as its primary tool. There is no doubt that the HSE needs more resources to do the job. Having said that, I did some research for today's debate, and it is fair to point out that compared with 1977 we have about 250—or thereabouts—more inspectors. I find that rather surprising, because we all think that there are fewer than in the old days. That is good, but it is clear from our report, particularly when considering occupational health, that inadequate resources are devoted to the HSE. I am pleased to say that, in their response, the Government recognised that the HSE is a front-line service, so I hope that it will escape the depredations of the Treasury when it looks for the cuts proposed in the Gershon review to the staffing of the DWP's resources.

What we say in paragraph 142 is absolutely correct:

"The evidence supports the view that it is inspection, backed by enforcement, that is most effective in motivating duty holders to comply with the responsibilities under health and safety law. We therefore recommend that the HSE should not proceed with the proposal to shift resources".

We have already heard quite a bit about inadequate penalties, and we refer to that in paragraph 179:

"The average fine per case fell from £11,141 in 2001/02 to £8,828 in 2002/03. in fact, there has been no substantial change in the general level of fines since the Court of Appeal said they were too low in November 1998."

The HSE points out that large company health and safety fines are only a 10th of the general level of financial services fines for larger companies. It is a disgrace that the courts and the law take fraud and financial services offences more seriously than offences that kill, injure and maim.

It is important to look at the question of innovative penalties. We heard some examples of that earlier. The chief executive of the HSE, Bill Callaghan, gave us some examples, and it is not beyond the wit of man to devise penalties that would fit the crime, as the Mikado would say, much more effectively than the arrangements currently available.

I am concerned about the lack of urgency in the Government's response. Private Members' Bills have been promoted, but they have not got anywhere because of objections and the fact that they were blocked by Conservative Members on—as usual—a Friday. That has happened on two separate occasions. The Government have said that they will introduce proposals, but we have seen very little sign of them so far. They were not in the Queen's Speech, and they will clearly not be introduced this side of the election. We were told that there would be a revised policy statement on enforcement, including innovative penalties, by September 2007. That is simply not good enough.

If the Government cannot find the money and resources or are not willing to put the effort into taking action, perhaps we should look at privatising health and safety. Who better for the privatisation than the trade unions? They have magnificent experience in the health and safety sphere through the system of safety representatives and committees. We are in a time of private finance initiatives and public-private partnerships, so perhaps the Government should contract out more of their health and safety activities to the trade union movement, which would do the job effectively. Of course, the biggest shift in health and safety was the creation of the health and safety representative system in 1977 and the committees in 1978. It may have been a sea change in the way in which health and safety was approached in the workplace, but almost 30 years later, the system has flaws in it that badly need to be addressed.

First and foremost is the fact that the regulations are simply not enforced by the HSE. In January 2000, we were told that HSE inspectors had served just one improvement notice under the 1977 regulations in 22 years. There were no prosecutions at all. There have been a few enforcement notices under the consultation regulations, and three under the safety committee regulations.

From my 30 years' experience of practising in this area, I would say that there are significant shortcomings, particularly concerning the question of the right of inspection of every workplace. I used to do work for the Fire Brigades Union, and it was not allowed to inspect places where exercises were to take place offsite, despite the fact that they would be made dangerous to catch the firefighters out. That is not a good way of embarking on training, and safety reps ought to have had the right to inspect. We wanted to challenge that; we were told that we were not allowed to take the matter to court because we needed the consent of the Director of Public Prosecutions, which was not forthcoming. It has never been forthcoming on any request from the trade union movement to enforce the regulations.

Unions must have the power to inspect the workplace, wherever people are at work. There should also be a duty on employers to respond to recommendations from the safety representatives. At the moment, employers have no obligation to say what they believe, or whether they are likely to reject or agree to recommendations from safety reps, and they certainly have no obligation to give reasons. That cannot be right, but ultimately, if the Government are not going to enforce the law, the trade union reps ought to be able to do so.

In 1998 the Law Commission recommended that the requirement for the consent of the DPP to a private prosecution should be abolished. That has still not happened, but it must. Of course, there have to be protections so that if a prosecution brought on a private basis fails, the trade union should face the costs consequences. That would be a useful check and balance in the process. However, simply not to allow prosecutions at all, when the HSE manifestly fails to bring them, is wrong. On the same basis, there ought to be a right for safety reps to issue improvement and prohibition notices—again, subject to the right of appeal to the employment tribunal and, to costs sanctions in the event of that right being used improperly.

The Government do not agree with any of that. They say in their report that that would not lead to improved standards, or create the correct balance. In fact, they think that it would affect the balance of rights between the safety rep and his members, which I find extraordinary. They say that it would

"undermine the relationship with employees"

—bizarre—and that it would have

"an adverse impact with the employer."

Those are all fallacious arguments. If the safety representatives had more power, as they did in 1977, we would see a significant improvement in the relationship and in the increasing emphasis given to health and safety in that company.

Those arguments are the same as those put forward in the early 1970s when the question of giving safety reps powers arose in the first place, and they have been proved to be false since then by what has been achieved by the safety representative movement. If those arguments were false then, they remain false now, and we call for additional powers. If the Government will not do the job, let the unions do it.

We have heard a great deal about directors' duties and I agree with what has been said. We have to ensure that those who hold the purse strings are held to account for the failures of their companies, and that must include

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the Crown. As was pointed out earlier by my hon. Friend the Member for Wolverhampton, South-West (Rob Marris), the biggest offender in the area of health and safety is the NHS. It is bizarre that the Government will not hold themselves to account. The Government have previously given commitments that they will change the law to remove Crown immunity, but we see little prospect of change in that direction.

I conclude my remarks by coming to our most important recommendations, which refer to the need to reform the law on corporate manslaughter. I have been campaigning for that for almost 20 years, ever since I represented the victims and the families of those who were killed in the King's Cross fire. I sat through a 93-day public inquiry, and I was horrified by what I heard, and equally horrified that no action whatever was taken against anyone responsible for that terrible tragedy. Since that time I have dealt with many other bereaved families, and with those injured in small accidents at work, in appalling circumstances, and in big tragedies such as the Zeebrugge ferry disaster and many others, and on every occasion, no one was brought to book. That cannot be right.

We made a manifesto commitment to introduce such a law. I do not know how many times I have raised the matter in the House—in written questions, oral questions, a ten-minute Bill, and by tabling amendments to the Criminal Justice Bill. I have lost count of the number of assurances that the Government have given me that they will deal with the issue. Those assurances have come from the Prime Minister down; I raised the matter in Prime Minister's questions almost two years ago. So far, we have seen nothing. We were promised a Bill before Christmas the year before last, and before Christmas last year. Again, the Bill has been put on ice. Where is it? Will we see a draft Bill before the general election? Many of us doubt that.

We already know that the Bill will be watered down and that it will not hold individual directors to account. I find that bizarre. If individual directors can be held personally to account for serious offences under the Companies Act 1985, why can they not be held individually to account if their companies kill somebody? That has already been ruled out. I understand that the Government might be getting a bit concerned about Crown immunity again. If nobody individually—a Minister or a head of a Government agency—can be held to account, what is the problem?

It is not a question of the penalties in terms of fines. As part of the penalties, the courts ought to be able effectively to issue an improvement or prohibition notice, but backed, unlike in employment tribunals, with the sanction of contempt of court if it is not carried out. That would be a very tough sanction and it is something that we ought to consider.

I hope that the Minister can satisfy the Chamber that the Government are taking the issue seriously, and can give us a clear timetable for when this long overdue measure will be put before the House. It will almost certainly not be passed before the election, but let us at least see the colour of the Government's money. It is not as though there are any objections in principle throughout the country. The Confederation of British Industry agrees with the measure, the Institute of Directors agrees with it and the trade union movement agrees with it. The only people who do not seem to agree with it are one or two Ministers who are concerned that their Departments may end up with egg on their face if they kill somebody. Well, if they kill somebody, it is all the more important that they should be held to account. However, the law would not be about prosecuting people; its purpose would be prevention. It is intended to get companies, Government agencies and so on to take their responsibilities seriously.

Throughout, we found that a problem was that health and safety in this country is not taken anywhere nearly as seriously as it should be. That is the thrust of our report. The Government must respond positively with new laws and the resources that we need, and industry must respond positively in its approach. We must do much more to ensure that when people go to work, they come home safely in the evening.

4.32 pm

Mr. David Rendel (Newbury) (LD): I am delighted to have a chance to participate in the debate, although I am not and never have been a member of the Committee. I am aware that many of those who have spoken have a great deal more expertise, knowledge and experience than I possess in relation to this matter. It has been interesting and elucidating to listen to much of the debate and to hear many of the points made by those who have that level of experience.

I am here not least to welcome the report. Although it is probably more than my life is worth to say anything else given that my hon. Friend the Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) is sitting beside me, I would have said that in any case because it contains a great many excellent recommendations. Perhaps one of the few sad things about the report is that the Government's reaction to it does not seem to be as favourable as it might have been. In particular, they do not seem keen to put in the resources that the report says may be necessary to meet all its recommendations, and that follows a year or two's lack of progress on health and safety.

The statistics seem, if anything, to be going backwards rather than forwards. It is, therefore, perhaps not a good moment for the Government to start considering taking resources away from the HSE, at least in real terms. That point is particularly valid following my hon. Friend's response to my intervention. He pointed out that there is probably a good case for saying that extra resources put into health and safety, and therefore perhaps into the HSE, could well be cost-effective in terms of the savings to society of the costs that would otherwise accrue as a result of further deaths and injuries in the workplace. It seems a short-sighted policy on the Government's part to consider cutting back resources rather than increasing them.

In general terms, one of the great problems with health and safety is the lack of awareness of it, which was alluded to a moment ago. It is well known in the Army that sentry duty is boring. One of the difficulties that the Army often has is trying to ensure that its sentries stay awake. Indeed, one of the greatest crimes that a soldier can commit is to fall asleep while on sentry duty. It is a similar situation for us. In a sense, we are all sentries while at work. We should all be on the lookout

for that rare occurrence of real danger—that unexpected moment when an employee puts themselves or one of their colleagues in danger by either doing something or failing to do something. It is easy to take health and safety for granted and assume that, because things have been relatively stable in the recent past and there have not been any great excitements, that will always continue. It is therefore easy to forget to be on one's guard about health and safety issues all the time.

There are a number of ways in which the tedium and boredom of trying to make sure that one is always aware of health and safety issues can be overcome. One is positive incentives. Many years ago, I worked in the oil industry for some years. That industry must be very careful about health and safety because, as has been mentioned in a number of examples, when things go wrong in the oil industry, they can go catastrophically wrong. A large number of deaths can occur at once because of, for example, a refinery fire, a fire on board a North sea oil rig or a tanker going aground, as happened in my company while I was working for it, with disastrous ecological consequences. So it is an industry that is careful about health and safety.

One of the ways in which the company tried to make us aware of the issues was to give us positive incentives for a period in which there had been no time-loss injuries. I am happy to say that, as a result of that incentive, I still have a timer that means that the lights in my house go on at a certain hour if I am away on holiday. I hope that that prevents people from burgling me, because it means that they think that I am still at home. I value that timer. The incentives brought home the importance of health and safety to all employees in the company.

Tony Lloyd: I am curious about whether the hon. Gentleman thinks that it is a good idea to advertise the fact that he has his lights go on while he is on holiday?

Mr. Rendel: I am happy to advertise that nobody will know whether the light is going on because I am there or because I am not there. That is, of course, the point. However, I am grateful to the hon. Gentleman for taking such an interest in the good care of my property and my home.

The second way in which we can be sure that employees are aware of health and safety matters is by the use of inspectorates. That is where the HSE comes in. It can be of value in two ways. First, in considering whether the procedures are going wrong and need to be changed and, secondly, in looking for things that have not been noticed and have not gone wrong, but where there may be gaps on which further work could be done to avoid unconsidered future risks, which are often the ones that cause danger. Of course, inspections also spread good practice from one company to another. If we did not have a body such as the HSE that went round looking at all sorts of workplaces, there would be much less chance that good practice would spread from one workplace to another.

The third way of raising awareness of health and safety is through fear of prosecution. That has been talked about a lot in reference to the Bill promoted by the hon. Member for Jarrow (Mr. Hepburn). On behalf of my party, I am happy to say that we support the Bill and would like to see it in place. I cannot guarantee that all 55 members of my party will be there to support it in person. It would be nice to think that we could all make it on the relevant Friday, but sadly plenty of things are on at the moment, as hon. Members will be aware, and it may be difficult to get all of us there. However, I hope that some of us will be there to support it in person. It is welcome. It is a strange anomaly that the people who have ultimate responsibility for running our workplaces are freed from any danger of being prosecuted for doing something silly or for omitting to do something sensible, which is equally dangerous, in the place for which they have responsibility.

I want to mention two important aspects of the issue. The first concerns migrant workers. One or two hon. Members touched on that subject, but it deserves to be brought more prominently to the Chamber's attention. Migrant workers are likely to suffer extra difficulties, partly because they are a vulnerable group. Why are they vulnerable? First, they may have difficulty knowing what our health and safety laws are, and many of them, coming from abroad, may not be familiar with the language. That makes it more difficult for them to be sure that they can obtain their rights and that their workplaces are safe. Secondly, a number of them may not be here legally, which makes it difficult for them to complain if they see problems at their workplaces which may lead to extra danger. Thirdly, many of them are in comparatively low-paid work and in businesses where the profit margins are comparatively low. The people running them may not be willing to spend much extra money on ensuring that their employees are safe. I hope that the HSE will pay special attention to their needs. So I welcome in particular the Committee's call for more research to be done into the extra danger that they may face and the difficulty that they may have in ensuring that their workplaces are, as far as possible, free from risk.

The second issue, which I mentioned in an intervention, relates to passive smoking and the risk that it poses to those in work and the difficulty of avoiding it. Following the problem that British industry and its insurers have had with asbestos, and the amount of money that the insurers have had to pay out because of the problems suffered by those who have worked with asbestos, it is incredible that British industry is apparently so unwilling to see the risks to their employees caused by smoking.

If I were a director of a major British company and I knew what I know now about the dangers of passive smoking, which have been pretty widely publicised over the years—indeed, the dangers of smoking at all have been widely publicised, but companies have an obvious responsibility for the dangers of passive smoking—and I thought that a Bill like that of the hon. Member for Jarrow might be introduced which would make me responsible for failure to take account of the dangers to my employees and would make me potentially liable for that in 10 or 20 years' time, when people began to sue the company because they had suffered as a result of having passively smoked the smoke from the cigarettes of their fellow employees, I would be really worried that I could be sued for failing to take account of passive smoking and failing to exclude it from the workplace for which I was responsible.

[Mr. Rendel]

I hope that soon the insurers of British companies will ensure that company directors take that risk on board and stop it happening. If they do not, the insurers themselves will risk having to make huge payouts, much along the lines of the asbestos payouts. Not all companies have faced the problem of asbestos, although most of us will probably find asbestos somewhere in the building in which we have worked. I have no doubt that there is asbestos somewhere in this building, for that matter.

It is important for company directors to take that on board. The best way for our country to avoid the dangers of smoking and passive smoking is to prevent people from smoking in the first instance. My good friend Trevor Brown, who I have no doubt is known to my hon. Friend the Member for Roxburgh and Berwickshire, will not forgive me if I did not make that point, because there is no question that only one or two cigarettes can, in some cases, lead people to become addicted. The best way to stop people smoking is to stop them taking it up in the first place.

A ban on smoking in the workplace and in public places seems to be on its way and is bound to happen. I hope that the Government will introduce a ban on smoking in public places in the fairly near future, but certainly it is up to those in charge of workplaces to introduce such a ban as soon as possible. If they do not, they are letting themselves and their insurers in for a huge problem. A ban is one of the best and quickest ways to improve health and safety at work and to reduce the financial risk faced by companies and the people who run them. I hope that the Minister will give us some positive words on that.

4.45 pm

Mr. Tim Boswell (Daventry) (Con): I, too, very much welcome the Select Committee report, the magisterial way in which it was presented by the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) and the serious and well-informed contributions that have been made today. If some of us came to learn more, we will have done so on this occasion.

It would be proper for me to begin by declaring an interest. We all have interests as Members of Parliament as employers of parliamentary staff. It has been right to remind ourselves of that in the debate. I also have a small interest as an agricultural employer, and have spent a good bit of my own time in manual work alongside my own staff at various times. I have a relatively close knowledge of agri-chemicals and pesticides and have seen hugely beneficial developments in that industry over my lifetime. They are not simple products. It is easy to get, if not acute reactions, dermatitis or other occupational exposures. However, people are much more careful than they were. The protective equipment is better and universally used. The targeting of the dose in terms of third-party exposure is much better than it was. That is to be welcomed particularly as, along with the construction industry, agriculture is one of the most dangerous industries.

It is an example of a growing improvement—not always in a straight line and not always assured—in standards of health and safety over the years. For that, quite rightly, the HSC and the HSE can claim a good deal of the credit. They are in my view a force for good and not a force for evil. I should like to make that very clear and respond to the suggestion of the hon. Member for Roxburgh and Berwickshire that we should, as far as we can, make these issues non-partisan. I will return to that in one or two contexts later on.

To say that we are doing quite well is not in any sense to condone complacency. There are things that we could do better. Some occupational areas and geographical areas, as the hon. Member for Glasgow, Maryhill (Ann McKechin) pointed out in her powerful contribution, are not doing as well as they should. We should therefore pay them proper attention. I have some personal interest in this matter over a number of years. I participated in the all-party group on occupational safety and health and I have taken an interest in the entirely fortunate relocation of the ministerial responsibilities for the HSC and the HSE under the Department for Work and Pensions. That is the right place to put them. I also make no secret of the fact that I have worked quite closely with the TUC as well as with people in industry on this issue. I have been happy to do that. I am involved in one of the specific initiatives that has been involved with latex allergy arising out of NHS exposures, in the main.

We should at least start from the basis of trying to ascertain what we can do together. I welcome many of the recommendations in the report, although not all of them. I probably find myself in the middle between the Select Committee and the Government. In certain cases I am not sure whether I am more sceptical than the Government. The HSE should develop its own strategy and strategic thinking. It has been generous with its time to brief me on what it is thinking. We need the right level of objectivity throughout and we need to consider what we can improve and what is practically helpful.

I can assure the hon. Member for Jarrow (Mr. Hepburn) that we will consider the two pieces of proposed legislation objectively. We will give him a fair answer at the appropriate time as he makes his case.

As far as possible, I approach such issues by trying to align the moral case—we do not want people to be killed in the workplace, and nor do most employers, although the way in which they interpret their obligations will vary—with the business case, which is that it is foolish to damage one's work force and better to ensure business continuity and the use of employees' skills. I have a reservation about that. We tend to put employers into one of two polarised categories: the good and the bad. In the middle are many people who are not malicious but who are probably ignorant, careless and not sure what to do. Transferring them to the good category is at least as important as ensuring that the bad guys are punished. I am not suggesting that the bad guys should not be punished—of course they should.

It is clear from the tone of the Government's response to the Select Committee that they also have some reservations about the report, specifically—I share this reservation—the proposal to double the inspection effort on conventional lines. It would be attractive to do that, but it may be unrealistic at a time when all the parties are looking for economy in Government spending. It may well be that more expertise is needed in certain industrial sectors. Reference has already been

made to the huge transformations in industry in recent years, and the report refers to the fact that there is still a strong concentration on high-risk industries—for example, chemicals or nuclear industries—which one can understand, but perhaps we need to be a little more sensitive now that more people are working in offices or at home.

I share the Government's wish for cost efficiency. We must try to get the greatest possible productivity out of people who have high expertise and who generally work effectively as health and safety inspectors or advisers.

I also wish to enter a slight reservation about the function of litigation. Not much has been said about civil litigation. I do not seek in any sense to attack law firms that are represented on the Government Benches or the individual who has a claim to make—of course they should make that claim. I believe that we have all had constituents with that experience, and occasionally we may have wanted to join in and help the process or deal with trade union-supporting solicitors. That is not the issue. Pursuing the individual case will not automatically drive a better commonweal. That may even be true about prosecutions, but I did not want to signal that we should take prosecution off the map—of course we should not.

From the tone of the discussion so far, I think that the Minister needs to explain and give a better flavour of how enforcement policy will develop. I am much at one with the Committee on that. We want an enforcement policy that will isolate and identify people who are behaving improperly and stop them from doing so.

Having said that, I have a good deal of sympathy with the HSE's wish to move towards a risk-based assessment for what it is doing, and we also need more of a partnership-based approach in trying to get people to do better. That should not be misinterpreted as what I believe the Americans would call producer-capture. This is about managing, reducing and minimising risks, and trying to iron them out of the system. That need not always mean huge extra expenses.

I was particularly sympathetic to the Select Committee's recommendation in respect of greater availability of material on the internet. At least companies would have easy access to that. It is a cheap way of communicating good practice, and it should be encouraged.

Turning to some specific points, I would like first to deal with asbestos, which is a subject that I raised with the executive. Although I am not suggesting that any asbestos is completely safe, it seems that the general public and the press are not aware that there is huge variation in types and circumstances. It is therefore important to get the advice clear and to ensure that contractors give the advice as straight as they can to what are possibly non-expert purchasers and others who are involved. The information should be given without distortion and on its merits. If substances are comparatively low risk, or there is no perceptible risk, they should be treated separately.

Mr. Dismore: I think that I have heard this argument about asbestos advanced from the Opposition Front Bench before—in a previous debate in this Chamber, in fact. Is the hon. Gentleman seriously suggesting that there is a form of asbestos that is safe and should be used?

Mr. Boswell: I thought that I had made it clear that I do not in any sense wish to say that any asbestos is safe. What I did say, and what I will repeat, is that there may be different degrees of toxicity in relation to different substances. I think that that is incontestable. Of course, a great deal depends on the risk and the exposure in the particular circumstances. That is all that I am saying, and all I am calling for is an objective look at that and the appropriate advice. Following on from that, it would be helpful if the Minister could, either now or in due course, say something about Artex as a particular product.

I shall say a few words about workplace smoking, because the Government's document "Choosing Health: making healthier choices easier" may have exposed a potential illogicality that they will have to consider or explain. With regard to any proposals that exclude categories of establishment that serve only drink—bars—but include those serving food, I suggest that if the interest is primarily but not exclusively in protecting the work force, it is difficult to establish a logical distinction between those categories. The Minister may wish to comment on that.

Research has not featured as much it should do. The report could have done more in that respect. I hope that research will feature in the Minister's response. We need to know much more about the circumstances in which people become fatigued, the combination of long-run factors, and longitudinal studies, to which the hon. Member for Barnsley, West and Penistone (Mr. Clapham) referred. We must also make more use of the resources that we have through health and safety research and externally based experts, who can bring more expertise into this area.

There is an important role for training across the board in industry, but particularly in developing a wider approach to skills. There is a slight tendency for people to think in box-ticking terms and to say, "This is your personal safety equipment. Tick that you understand how it works." That is very much an attitudinal issue. In relation to construction, where we all have concerns about what happens, I would like the industry to move, as it is beginning to do through the Construction Industry Training Board, towards a certification scheme that is designed to cover at least all full-time employees, so that people are not allowed on sites unless they have their card saying that they have been trained to an acceptable standard.

Jim Sheridan: The hon. Gentleman mentions training. As I said in my contribution, his party has announced that it will stop funding the trade union learning fund, which goes a long way in terms of risk assessment and training safety representatives in the workplace. How does that announcement equate with what the hon. Gentleman has just said about training?

Mr. Boswell: I heard the hon. Gentleman's comments on that matter and I know a little about the trade union learning fund. It has done some good work. The question is one of priorities and whether that work can be allocated in another way, but I heard what the hon. Gentleman said.

[Mr. Boswell]

On vocational rehabilitation, there is a strategy, last promised for the autumn of this year. Those of us who are interested in this area have been waiting a long time for that.

I now cross seamlessly, I hope, to another Department and occupational health. That still comes under the Department of Health. The Minister will have heard a good deal about occupational health. I have considerable sympathy with what has been said on that. We have emphasised the acute situation—the safety situation—for good reasons. We now need to consider many of the long-term stresses that are building up in the work force. They are new stresses. It is not only a matter of people's lungs, dust and direct exposure to toxic chemicals, but of repetitive strain injury, the way that people sit at work stations, the nature of the job that they are asked to do and whether employers discharge a duty of care in managing and considering those factors. There is a large portfolio of work ahead, which will not be quite the same portfolio as in the past. That is not wrong, as long as we provide adequate resources; move them into areas of greatest need, and do not forget that there has to be an enforcement function.

We need to remember that, in the terms of this debate, health matters every bit as much as safety. That does not mean that safety does not matter, but that the two are both extremely important. Workplaces should avoid or minimise danger, but they should also be conducive to high occupational health standards. Underpinning that should be a common commitment on both sides of industry to high standards of good practice. That commitment should recognise the mutuality of interest of both the moral case for avoiding injury and the business case, which makes it more sensible for business to conduct itself to achieve high occupational standards. The HSE will not be the only player in this field. Much depends on engaging the active consent of responsible business opinion on both sides of the argument. However, we will proceed much better with the assistance of the executive and in light of the report.

5.2 pm

The Minister for Work (Jane Kennedy): I echo the words of the hon. Member for Roxburgh and Berwickshire (Sir Archy Kirkwood) in complementing you, Mr. Deputy Speaker, on the wise decision that you took last time we were due to meet because of noises off that would have, without doubt, distracted us from this important issue. It is a pleasure to be debating this subject under your chairmanship and to find you in such a mellow mood—a fact for which my hon. Friend the Member for Hendon (Mr. Dismore) has reason to be grateful.

I have listened to the debate with great interest. The Select Committee's report, to which we have responded, is wide-ranging and covers all of the work of the Health and Safety Commission and Executive. Before I plunge into a more detailed response, I welcome the hon. Member for Daventry (Mr. Boswell) to the debate and acknowledge the knowledge and experience of the agriculture industry that he brings to the subject. I am grateful for his comments on the location of the HSE under the ministerial sponsorship of the Department for Work and Pensions. I agree that that is the right place for the executive—it has come home. We take seriously our responsibilities to steward the HSC and HSE properly and to support their work.

I congratulate the Chairman of the Select Committee, the hon. Member for Roxburgh and Berwickshire, on receiving such a resounding accolade from members of that Committee here today. This is an important opportunity for us. We have had an appropriately long time to consider the serious issues that the report has raised. I welcome the report, although I am sure that hon. Members will appreciate that it was hard reading.

We considered the Committee's recommendations carefully before responding, and this debate allows me to put forward the Government's case and hear the concerns of the Committee and other hon. Members at first hand. The debate has given me considerable food for further thought, but has demonstrated a wide divergence in views on the direction being taken by the HSC and the HSE. We all seem to agree that they do invaluable work and need to be supported in their mission to ensure proper control of risks at work and make workplaces better, safer and healthier. We all share that aim, even if we part company on how best to achieve it.

I am grateful to the hon. Member for Roxburgh and Berwickshire for reminding us of Britain's health and safety record; his comments were echoed by other hon. Members. It is one of the best records in Europe, indeed, in the world. Significant improvements have been made since the Health and Safety at Work, etc. Act 1974 was passed all those years ago. That success is due to the work of organisations, inspectors, regulators, individual workers, employers and trade unions and the legislative framework underpinning the health and safety system. I pay tribute to all who have contributed to the improvement in health and safety.

As other hon. Members have said, the Government should not be complacent. We must reduce still further the numbers of accidents and cases of work-related disease. We recognise that the workplace is changing, as the Committee noted in its report. That brings new challenges to which we must adapt; the commission must respond to those challenges and the executive should reflect them.

The labour market has evolved to one where self-employment, agency-working and flexible patterns of work have become much more common. That is partly what makes it so dynamic and, dare I say it, so successful. However, we must ensure that our processes change with it. I agree with hon. Members who spoke in the debate that there should be much more emphasis on health at work.

In the past, health issues have not attracted the attention that they deserve. The Government are committed to taking that new route; although there have been improvements in health and safety generally, we are concerned that national safety performance has plateaued since the mid-1990s. We must build on the demonstrable successes of the past 30 years but I firmly believe that we cannot do more of what we have done in the past; we need a change of gear and emphasis. We need to take the agenda forward in new ways and to try out and test new ideas, learning about what works and what does not work so well.

The setting of national improvement targets was an important first step. The targets are essentially correct, notwithstanding the anxiety that has been expressed about achieving them. Although the process of setting the targets and considering them has highlighted some difficulties in terms of measurement and establishing a baseline, it served to cast a spotlight on outcomes, on just how well we are doing in preventing accidents and ill health. It is precisely that process that led the commission to recognise that the targets on their own would not be sufficient, and that they needed complementing with a more effective means of delivery. That is why the commission's strategy was developed.

I noted the concerns of members of the Committee and those of other hon. Members about targets. They were set in response to the plateau in performance, as part of revitalising the health and safety agenda. The targets are, rightly, challenging, and the Government, the commission and the executive realised that a new strategic approach was needed to deliver them. It is still too early to judge whether those targets will be met.

On occupational health in particular, there can be long latency between intervention in the workplace and a measurable outcome. We need time to monitor the impact of the intervention of the commission, the executive and others in occupational health. On stress and muscular-skeletal disorders, for example, there are early signs that the commission and the executive's multifaceted approach—partnership working, advice and so on, including enforcement where needed—is beginning to bear fruit.

The strategy has been endorsed by the Government, and I am firmly committed to supporting the commission and the executive in implementing it. I see it as providing the strategic direction needed to achieve the improvements that we all seek, and I want to see it fully implemented.

However, doing all that will not mean a softening of our approach on enforcement or a shift of resources from enforcement towards voluntary measures. Enforcement will still be a key part of the HSE's arsenal, and the strategy explicitly recognises that enforcement, or fear of it, is an important motivator. However, it rightly recognises that enforcement is simply one of a number of tools. I want to deal with one or two specific points that were made about inspectors and enforcement.

The hon. Member for Roxburgh and Berwickshire stressed the role of inspectors in his report, and I draw attention to our response. Simply doing what the HSE has done before will not deliver the required improvements in health and safety performance. There is no evidence that simply doubling the number of inspectors will achieve significant improvements.

My hon. Friend the Member for West Renfrewshire (Jim Sheridan) referred to the vexed issue of building sites and the construction industry, which rightly remains, as he said, a key concern. He made other comments as well, to which I shall return. Inspectors cannot on their own drive up health and safety standards, and were never intended to do so. Joint working with the trade unions and employers is a prerequisite for improvements in health and safety on construction work sites. I agree with what has been said about procurement.

My hon. Friend the Member for Midlothian (David Hamilton) presses the Government to use their powers as a major purchaser of building and construction work. His description of the Committee's site visit to his constituency was interesting and telling. The visit clearly made a big impact on the Committee. The Government are interested in grasping the opportunity to influence health and safety in the construction industry. In the health and safety taskforce which I chair, Government Setting an Example, which brings together Ministers from across Departments, including the Departments of Health and of Trade and Industry, we are examining what more the Government can do to use procurement to influence health and safety. Therefore, we fully accept that view. Indeed, the guidance from the Office of Government Commerce also supports that view. As I said, the taskforce is examining the issue as we speak.

The HSE is working not only to improve the effectiveness and efficiency of its interventions as inspectors; it is also making more time available for proactive activities, as well as completing reactive work more efficiently. We must remember that the HSE's primary aim is prevention. It is working to increase the balance of proactive to reactive work from 50:50 to 60:40, as I said in my response to the Committee.

We must also remember that many staff other than inspectors are employed in front-line activities and make an important contribution. Again, as I said in my response to the Committee, a set of initiatives is being implemented to broaden the range of such staff and increase operational productivity.

Jim Sheridan: Before my right hon. Friend leaves the question of procurement, will she take on board the comments of my hon. Friend the Member for Midlothian? We must have regard not only to the major contractor, but to the way in which he or she offsets to the subcontractor. Many subcontractors engage migrant workers who are frightened to report accidents, because they would lose not only their job, but their accommodation as well.

Jane Kennedy: I am grateful for that intervention. I take on board what has been said, and I have listened carefully to the contributions of hon. Members, many of whom touched on that subject. It is remarkable how quickly half an hour disappears, but I will seek to respond to all the points raised.

This matter is so important that it is worth dwelling on. I said to the Committee that, in response to the concerns that have been expressed not only in the report, but today about what appear to be changes in the balance of the executive, we are satisfied that the HSE has no such proposals. We support the executive in maintaining a balanced approach. Getting that balance right will probably be an area for debate in the future.

Rob Marris: The Minister talks about the balance, and I understand that there is no evidence that more enforcement will lead to what we want—namely, prevention—but I put it to her that in the past two years we have seen less enforcement and that that has been followed by an increase in fatalities and accidents.

[Rob Marris]

Whether it is causally connected I do not know, but less enforcement does not seem to have resulted in what we want.

Jane Kennedy: I do not necessarily accept my hon. Friend's analysis, although I understand why he makes it. When we see the record, I will read the debate carefully. I have not seen the evidence to which he alludes. The plateauing in performance happened some time ago. It was a matter of concern to the Government, and as a result we set the targets. We have begun to measure performance only since then, and we must allow a bit of time—research has been mentioned as well—to study what is happening before we make the sort of judgments that my hon. Friend has sought to persuade me to make.

The Hampton report was referred to. It is a serious piece of work, deserving of a careful response from the Government after its full consideration. The hon. Member for Roxburgh and Berwickshire will be aware that the review is still in its consultation phase. The Health and Safety Commission considers that the executive has got the balance between inspection and enforcement and information and advice just about right. The commission will also say that to the Hampton review, so I hope that that reassures the Committee.

Many of the Committee's recommendations require significant additional resources. We have stated that the HSC will be protected as a front-line service, but additional resources must be linked to delivery and an improvement in performance. As a front-line service, the HSC should be protected, but it cannot be exempted from improving as part of a drive for more effective and efficient ways of working. As the strategy is implemented and the evidence develops, resources will be prioritised and targeted at those areas where they will make a greater impact than in the past.

Tony Lloyd: On the question of getting the balance right, one of the long-term criticisms about the way in which the HSE operates is that it has always been reluctant to prosecute, because prosecution is resource-intense—it takes up a lot of staff time. The criticism has been that it has preferred to operate by way of advice rather than enforcement. Behind that are implications for resources, but there is also a balance to be struck: the HSE needs to be urged to prosecute when prosecution is better than advice.

Jane Kennedy: I do not disagree with a lot of what my hon. Friend has said, although one keeps resources constantly under review. The HSE and the commission form an independent organisation, which is well supported by industry and the trade unions. That requires us to keep under constant review the resources it has available, and I undertake to do that. As Ministers, we can always spend more on the services that are dear to our hearts, but the HSE, like many other public services, has to ensure that its processes and operations are as effective as they can be, given the budgets within which it has to work.

I shall quickly touch on occupational health, because that is a subject in which I have a particular interest. It is a complex area, and one in which the impact of interventions is seen over a much longer period. The most taxing issues on the occupational health agenda have now shifted from the effects of the harmful materials that we work with. Hon. Members referred to that, describing how in the past workers were left largely unprotected when working with harmful materials. Now, we need to concentrate more on our interaction with the working environment—on things such as the physical stress on our bodies that leads to musculo-skeletal disorders, and mental stress arising from the demands of modern working life.

The executive has been developing a series of pilot schemes to test models for delivering occupational health support. I want to move rapidly through what I have prepared to say; I shall skate over rehabilitation, although hon. Members will know how important that issue is to me, given my work elsewhere in helping people who have physical and medical conditions to return to work after a period out of work.

I want to touch on the legal framework, and also to respond specifically to some of the powerful speeches that hon. Members made. Our view is that the legal framework is largely complete. The challenge is to achieve better compliance rather than to introduce more legislation. However, there are exceptions to that. The outstanding issues regarding further legislation are the introduction of a new offence of corporate manslaughter; the removal of Crown immunity; and greater penalties for health and safety offences.

The Home Secretary has said that a draft Bill for corporate manslaughter will be published—it says here—this autumn. It will be published. I reassure hon. Members that we are also committed to introducing legislation on the removal of Crown immunity and on greater penalties, as parliamentary time allows. We stand by that commitment.

Mr. Hepburn: If the Government are not to include directors' responsibilities and duties in any future corporate manslaughter Bill, how will we create the culture of boardroom responsibility that is needed to stop deaths in the workplace?

Jane Kennedy: I will come to the question of boardroom responsibility, but at the moment I should like to deal with impending legislation.

I agree with the views that have been expressed. A new and effective offence of corporate manslaughter reserved for the most flagrant cases would improve proportionality in responding to work-related deaths. The new offence would also improve access to justice in distressing cases, and would increase the pressure to improve among the relatively few employers with wholly inadequate risk management in their workplaces. I concur with many of the supporting comments that have been made on the need for that legislation, and it is important that I take the opportunity to put that on the record.

David Hamilton: Regardless of any legislation that may be passed in the Westminster Parliament, the Minister will accept that Scottish legislation is somewhat different. Is it possible, or even likely, that the

Scottish Parliament might take a different view, if such legislation continues to be delayed by Westminster, and pass its own legislation in Scotland?

Jane Kennedy: It is possible, although it would be unfortunate, and I would regret it if that course of action were taken. We are committed to bringing that Bill forward. The delay simply demonstrates how difficult it has proved, in a very complex area of law, to reach a point at which we can publish something, with a collective Government position, that can be discussed in public.

I share the frustration that has been expressed about the low levels of fines. I have discussed that matter before, but I reassure hon. Members that I am seeking an opportunity to change the penalty framework. There are actually very big penalties that the courts can use, but they do not apply them. That is the case in England and Wales, and in Scotland.

My hon. Friend the Member for Glasgow, Maryhill (Ann McKechin) drew a critical comparison between the performance in Scotland and in the rest of the UK. She said that the plastics industry needs a strict regulatory environment, although there are complexities involved in that and I described them in my letter to her—I wanted her to receive it before this debate.

My hon. Friend also questioned us on the priorities set by the HSE and asked whether plastics should be one of those priorities. The number of reported incidents is one factor, but I will disappoint her when I say that I do not believe that the priority level of the plastics industry should be changed. However, before she intervenes to protest, I want to take the opportunity to explain why we reached that view. The executive recognises that there is some disparity in the statistics that cannot be explained by a different mix of industries. It is starting research to see whether an explanation can be found, and I look forward to receiving the findings of that research. The statistics were quoted and it is important to remember that the construction and the agriculture, forestry and fishing industries remain two of the key priorities for the Health and Safety Executive precisely because around half of the fatal injuries to workers occur in those industries. It would be folly to ignore that.

Equally, my hon. Friend asked why slipping and tripping are priorities when the plastics industry is not. Again, based on the statistics published by the HSE just last month, more than one third of all reported major injuries were caused by slipping and tripping. Even worse, the most common over-three-day injuries to employees continue to occur when handling, lifting or carrying, which are fairly simple working practices but can cause major injury. It is right that those should be key priorities for the HSE.

On non-unionised workplaces, the HSE assesses the health and safety conditions applying in those workplaces. It makes a judgment of the risk when determining the priorities on the basis of visits to such workplaces, events, including accidents, and early assessment. It has experience of the industries and believes that to use influencing factors such as trade union representation would make it more difficult to assess the priorities and keep them up to date.

My hon. Friend the Member for Jarrow (Mr. Hepburn) spoke about making employers' liability insurance compulsory, which has focused the minds of directors, as my hon. Friend the Member for Barnsley, West and Penistone (Mr. Clapham) recognised. There is evidence that, increasingly, health and safety is being taken seriously at board level. The Government recognised that we had to examine our own performance, which is why the health and safety taskforce is set at ministerial level. A survey in 2003 showed that the number of companies in which health and safety was being addressed at board level had increased from 58 per cent. to 66 per cent. We have taken the view that there is less need to regulate and we believe that the threat of legislation is sufficient at the moment. The U-turn that the Government were accused of was perhaps a slight turn, but not a complete U-turn.

This is not a party political point, but the hon. Member for Newbury (Mr. Rendel) made another spending commitment today when he referred to resources. I shall respond to that before we adjourn and I apologise for not responding to all the points that have been raised. Directors and managers are not free from all responsibility for health and safety at work. Breach of the Health and Safety at Work etc. Act is a criminal offence and offenders are prosecuted. The Health and Safety Executive enforces the Act, but rightly recognises, that, increasingly, it will have to work to forge partnerships in industries where it may not have had good working partnerships previously.

Question put and agreed to.

Adjourned accordingly at half-past Five o'clock.